

Current History

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AUSTRALIA, 1972

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|--|-------------------------------|
| OPEN OPTIONS: AUSTRALIA'S FOREIGN POLICY IN THE SEVENTIES | |
| | <i>Bernard K. Gordon</i> 129 |
| AUSTRALIAN SOCIETY | <i>Henry S. Albinski</i> 133 |
| THE HISTORICAL CONTEXT OF AUSTRALIAN-JAPANESE RELATIONS | |
| | <i>C. Hartley Grattan</i> 138 |
| AUSTRALIAN STRATEGIC PERSPECTIVES | <i>J. L. Richardson</i> 143 |
| PARTY POLITICS IN AUSTRALIA | <i>Tom Truman</i> 147 |
| AUSTRALIAN FEDERALISM | <i>Richard H. Leach</i> 151 |
| AUSTRALIA TODAY | <i>Charles B. Hagan</i> 156 |
| BOOK REVIEWS | 161 |
| CURRENT DOCUMENTS • <i>The Twenty-First ANZUS Communiqué</i> | 162 |
| THE MONTH IN REVIEW | 170 |
| MAP • <i>Nations of the Pacific</i> | Inside Back Cover |

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Coming Next Month

CANADA, 1972

In our April, 1972, issue, seven articles explore the position of Canada in the world today. Canada's relations with the United States are analyzed and current internal political and economic trends are evaluated. The seven articles deal with:

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by W. L. MORTON, Trent University, Ontario

At the Interface: Canada and the United States in the 1970's

by CHRISTIAN P. POTHOLM, Bowdoin College

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by ROBERT BOTHWELL, University of Toronto

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Current History

MARCH, 1972

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What are the problems and prospects facing Australia as Oceania moves into the 1970's? What role will she play as the power balance shifts in that area of the world? In this issue, seven articles discuss Australia's strengths and weaknesses and the relationship between Australia and the rest of the world in the twentieth century. Our introductory article concludes that for various reasons analyzed in the article, "... the recent foreign policy record of Australia has been so uncertain that Australia has appeared incapable of filling the new role expected of her. . . ." The nature of that role is clarified here.

Open Options: Australia's Foreign Policy in the Seventies

BY BERNARD K. GORDON

Professor of Political Science, University of New Hampshire

GLOBAL DEVELOPMENTS during the past five years have made that period the most difficult and troubled in the history of Australia's foreign policy, and as a result Australian leaders have been required to reexamine, with an almost entirely new perspective, the deepest premises on which their nation's security has been based. This is not yet clear to Americans, for we are much more accustomed to thinking about the necessity for change in our own policy, and when we do think about foreign policy change among "friendly" nations in the Pacific, our attention has been drawn much more heavily to Japan.

Japan, we are told, has undergone a number of "shocks" to her foreign policy principles during the past several years, and the Japanese press almost daily refers to the "Nixon shocks" of 1971. First there was Presidential Adviser Henry Kissinger's surprise visit to China, and the announcement that the President himself would visit Peking; this was followed by the President's establishment of monetary and trade policies designed to reduce imports. Japan's trade with the United States is central to her own economy, and the combination of these political and economic initiatives by President Richard Nixon called seriously into question assumptions on which Japanese policy

has been based. One clear result is that the "special relationship" that characterized Tokyo-Washington ties during the 1950's and 1960's has come to an end.

The impact in Australia of the Nixon shocks was just as great, and the President's announcements were no less surprising to the Australians. In some respects the effect on Australia is likely to be even greater than in Japan—not only because Australia has far less capability to take care of herself—but also because the Nixon announcements of 1971 on China and on trade policy, from an Australian perspective, were simply the most recent in a five-year pattern of foreign policy surprises and disappointments. As a consequence, in Australia all foreign policy options can be regarded as open, and some policy approaches that were until recently regarded as taboo are now the topic of increasing discussion in Sydney, Melbourne and Canberra.

One consequence of this rapid change is that there is no strong sense of direction in Australian foreign policy, and in some instances in recent years there has been considerable disarray. To understand why, it is essential to recognize first that the deepest trait of Australian policy in defense and in foreign affairs has been its *alliance* characteristic. It has been a cardinal principle of Australian policy and behavior never

to act alone in foreign affairs, but instead to act in support of an ally or, as long-time former Prime Minister Robert Menzies often said, in support of "Australia's great and powerful friends."

THE "INSURANCE POLICY" CONCEPT

Those friends, of course, were the United Kingdom and the United States. For the bulk of her history, Australia's alliance relationship was posited initially on Great Britain. In practice, this meant that Australia was prepared to support British policy and deploy Australian troops alongside those of Britain, even if this meant despatching forces thousands of miles from home. Thus there was participation by Australians with Britain in the Boer War in South Africa, and in both World War I and World War II Australians were in the forefront of those who volunteered to serve with Britain in the Middle East, Europe and North Africa.

There were many reasons of sentiment, historical association and kinship that led Australians—especially during the first years of this century—to identify so closely with the foreign policy and wartime goals of Britain. But there was also a large degree of self-interest involved, for it was firmly believed that only by demonstrating her support in such tangible ways could Australia in turn count upon Britain's assistance, should Australia's own security be threatened. And the concept of a foreign threat was especially pronounced in Australia. The nation has always been a very thinly populated continent of white and relatively wealthy people (12.5 million in 1970) in a region of the globe marked by great population density, extreme poverty and instability, and resentment and distrust of white European civilization. The contrasts with most nearby peoples have always been stark, and Australians have never needed to be reminded that Indonesia—with 110 million people—is her closest neighbor (they share a long boundary on New Guinea), and that Japan, with an equally large population, and unbounded energy, is not much further away. Tokyo and Darwin, for example, are 2,900 miles apart—or six hours by jet—and the outlying possessions of Japan and Australia (in Okinawa and New Guinea) are closer together than that. (See figure 1.)

These considerations, which historically at least included an undeniable element of racism, focused early in this century on Japan. They were manifested in fears that Australia's open spaces somehow would attract expansionist Asian leaders; thus the notion of a "yellow peril" was always present in Australian thinking. Its continuing legacy is the still present but today less offensive "White Australia" immigration policy.

As security against real or imagined threats in Asia, Australia initially pinned her hopes on Britain, and

particularly on the Royal Navy. No people, for example, were more anxious than were the Australians to encourage London to complete the great naval base at Singapore during the 1920's and 1930's. Indeed, Australia contributed funds to the building costs of the base during those years just as, in wartime, Australia had contributed troops to Britain's wartime efforts. Both political and other help in peacetime and troop deployment in wartime were frankly recognized in Australia as the keystone of an "insurance policy" concept which was the core of Australia's foreign policy. Under this concept, it was Australia's obligation to keep her premiums "paid up," so that in the event of need the insurer—Britain—could be counted upon to provide tangible assurances of security, including, of course, naval and armed forces support.

THE SHOCK OF WORLD WAR II

The entire concept received a mighty jolt in December, 1941, and January–February, 1942, when Britain was seen to be both unwilling and unable to come to Australia's defense. Australia, as a dutiful premium-paying client, had sent essentially all her effective combat strength to fight alongside Britain in the North African campaigns of 1940–1941. When war with Japan seemed imminent, Australia wanted her men (approximately two army divisions) sent home. Britain responded that should the need arise, naval forces would be dispatched to defend Australia, and that Singapore was impregnable. This was, in fact, the assumption on which most Australian defense thinking had been based for more than ten years.

When the Japanese attacked Pearl Harbor on December 7, 1941, and thereby destroyed most of the United States Pacific fleet, the Australian leadership was convinced that the need had arisen: their nation's security was gravely threatened. This awful event was compounded three days later by the sinking off Singapore of two spanking new British ships, the battle cruiser *Repulse* and the battleship *Prince of Wales*. Australia's profound defenselessness could no longer be denied. At this point, Australian Prime Minister John Curtin demanded that British Prime Minister Winston Churchill send Australia's fighting men home immediately.

From the Australian viewpoint, Churchill's response was nearly incredible. He asked that the Australian government not insist that the troops be sent to the Pacific; when Canberra repeated the request, Churchill said that he could not soon comply anyway. He gave as his reason the shortage of troop transports and the naval escort required to accompany the troops on the long voyage.

Many Australians, however, believed that Churchill simply had decided—despite the lightning ad-

vance of the Japanese and the impending fall of Singapore—that the Australian troops were serving a greater need of *Britain's*, in the European-North African theater, than they would serve in the defense of their Australian homeland. As a result, Prime Minister Curtin then undertook a step unprecedented in the history of the Empire and the Commonwealth: on December 27, 1941, he wrote a signed article for a Melbourne newspaper, in which his shock and disappointment were apparent:

We know the problems that the United Kingdom faces. We know the constant threat of invasion. We know the dangers of dispersal of strength. *But we know too that Australia can go and Britain can still hold on.*¹

Curtin's despair, moreover, was accompanied by what Australians today regard as an "almost legendary declaration,"² for he wrote further in his article that in the future Australia would "look to America. . . . Without any inhibitions of any kind, I make it quite clear that Australia looks to America, free of any pangs as to our traditional links with the United Kingdom."

A NEW PATRON

That declaration marked the beginning of an intimate Australian connection with the United States in defense and foreign affairs, a connection which for 30 years has been regarded as the central element in Australian foreign policy and which for the first time is now subject to serious questioning in many quarters of Australian thinking. One of the main reasons, of course, derives in part from American behavior—for the United States is unquestionably involved in a major shift in its posture in the Pacific region. But an even more important reason, and one which causes leading Australians to exaggerate the scope and speed of changes in American policy, derives from the fact that since Curtin's announcement in 1941, Australians have been anxious and worried about a new betrayal of their trust. They have, in effect, been uncertain about their new patron ever since their first patron, despite much deeper bonds of blood and history, let them down in 1941.

This has been evident almost from the beginning of the new relationship with the United States—formalized in 1950 when Australia (and New Zealand) entered into the close defense alliance known as ANZUS. From that point on, much of Australian foreign policy came to be characterized by two traits,

in which the first element was the transferral, from London to Washington, of Australia's premium payments. This was reflected in many ways, beginning with Australia's significant combat support role alongside the United States in the Korean War, and followed by a foreign policy throughout the 1950's and 1960's that was—in the view of many Australian commentators and critics—a "slavish imitation" of United States foreign policy worldwide. This willingness to follow and support American policy, and

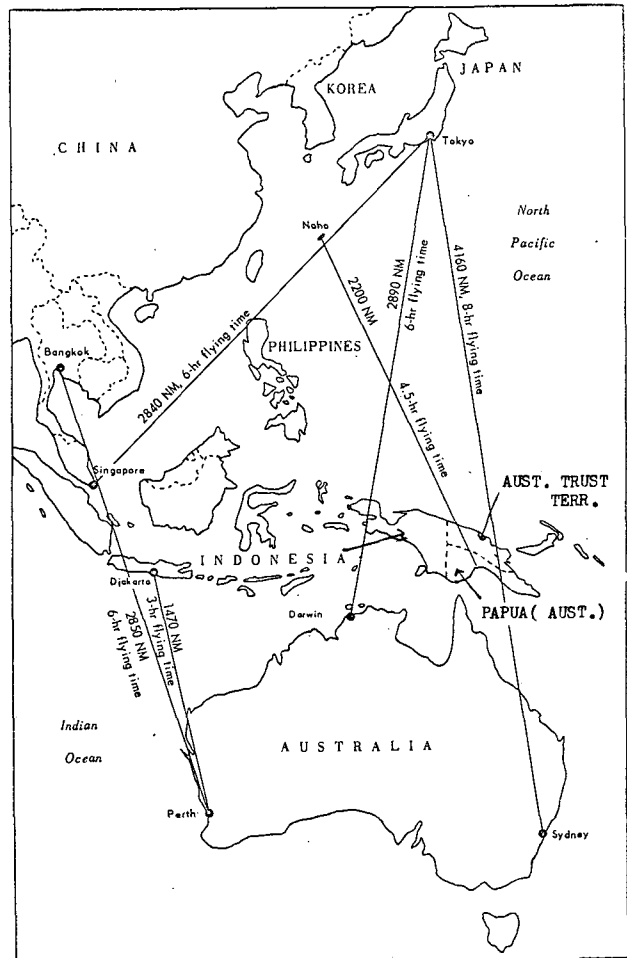


Fig. 1—Map Showing Asia-Pacific Distances

thereby to keep Australia's premium account fully paid, culminated finally in the decision to send Australian troops for combat in Vietnam.³

The second trait of Australian policy, evident almost since the ink was dry on the 1950 ANZUS agreement, has been its tendency constantly to inquire of Washington whether the insurance policy was fully in effect, and to ascertain that it covered all contingencies. Thus, many of the ANZUS communiqués (its meetings normally have been held annually) carry repeated United States assurances, which Australians interpreted to mean that Washington would in fact regard an attack upon Australia as an attack upon vital American interests.⁴ Similarly, a number of official Australian writings are replete with Australian

¹ From the *Melbourne Herald*, December 27, 1941, quoted in Winston S. Churchill, *The Hinge of Fate* (Boston: Houghton Mifflin Co., 1950), p. 8. My emphasis.

² These are the words of a present-day legal scholar. See J. G. Starke, *The ANZUS Treaty Alliance* (Melbourne: Melbourne University Press, 1965), p. 62.

³ The last of the Australian forces, after a five-year stint, embarked from Vietnam as recently as December 15, 1971.

⁴ See for example the text of the 1971 ANZUS communiqué in this issue.

"understanding" that security would be guaranteed by the ANZUS framework. Indeed, the standard Australian reference book on the subject⁵ reads like a lawyer's brief—it points to the dozens of ways and instances in which American officials have said and done things which Australians can interpret as binding obligations—should the day ever come when Canberra asks Washington to make good on the insurance policy.

Generally, Washington's willingness to underline and repeat the ANZUS commitment, and not to object when Australian leaders have interpreted it publicly in the most broad and firm terms has been, until very recently, satisfying to Australia. This was the case, for example, during the short-lived hostilities between Indonesia and Malaysia, in 1963–1965, known as Indonesia's *Konfrontasi* (confrontation) of Malaysia. In that conflict, Australia actively supported Malaysia with troops and material, and at one point the Australian foreign minister suggested to Indonesian Foreign Minister Subandrio that hostilities with Australia could bring in the Americans—on the side of Australia. Their conversation was reported publicly in the Australian Parliament, and on that and numerous other occasions Australians were given no reason to believe that the United States disagreed with that interpretation.

Similarly, when former Foreign Minister Paul Hasluck was asked during the same period what was meant by the term "Pacific" in the text of the ANZUS Treaty—did the term, for example, include Malaysia, Borneo, New Guinea and so forth—he replied that "the Pacific" had never been precisely defined, but that:

... all discussions in meetings of the ANZUS council and exchanges with the United States have given the Australian government the confident expectation that the broadest and most liberal interpretation will be given to that term.⁶

When we recognize how frequently Australian leaders have assured their people that the United States guarantee was alive and well, it is not surprising that until recently it was not subject to serious or widespread public doubt. For Australians have felt that they have kept their share of the bargain—a point made dramatically in 1966 when a Labor member of

Parliament, opposed to his party's platform to withdraw all draftees from Vietnam, resigned from his party with the warning that: "No member of this House can afford to throw away the insurance policy we have with America. The premiums must be paid. Paid gladly. Australia has always honored its obligation."⁷

THE PRESENT DISARRAY

That has been true; nonetheless, on March 31, 1968, Australian leaders had to reckon with the serious possibility that the United States—in whose hands they had placed their survival after 1941—might regard Australia as "expendable," as Britain appeared to have done a generation before. For when President Lyndon Johnson announced, without any prior warning to the Australian government, that he would not seek reelection (and that the bombing of North Vietnam would largely cease), Australians began to suspect that their long-standing trust in the United States might have been misplaced. President Johnson's decision, after all, amounted almost to an abdication, and it was clear to Australians that it was brought about largely by domestic American criticism of the war in Vietnam. These circumstances symbolized to Australians the extent to which the United States government and the American people might in the future reject any armed involvement to defend the security of independent nations in Asia and the Pacific.

It must be recognized, moreover, that President Johnson's announcement followed Britain's decision, in 1967, to terminate its remaining defense responsibilities "East of Suez," and to withdraw all British forces from Singapore and Malaysia by the end of 1971. While this development was less surprising, it was nevertheless very unsettling to Australians. Britain's decision alone, however, could have been readily absorbed by Australian planners under the circumstances then known and foreseeable. Indeed, serious planning was already under way in Canberra and London in 1967–1968 to substitute some form of "Five Power" defense agreement among the Commonwealth nations in which Australia and New Zealand, along with Britain in a reduced role, would help to guarantee the security of Singapore and Malaysia.

(Continued on page 163)

⁵ J. C. Starke, *op. cit.*

⁶ Quoted in Amry and Mary Belle Vandenbosch, *Australia Faces Southeast Asia* (Lexington: University of Kentucky Press, 1967), p. 138. My emphasis. Australian concern with the term "Pacific" derives from the desire to be assured that an American guarantee extends not merely to direct physical attacks upon the Australian continent, but to New Guinea as well, and indeed to Australian forces, wherever in "the Pacific" they might be engaged. It is interesting to speculate on the likely reaction of the United States Congress, were it widely understood that Canberra believes it has such a wide United States guarantee.

⁷ J. S. Benson, from Victoria, in *The New York Times*, August 28, 1966, quoted in Vandenbosch, *op. cit.*, pp. 128–29.

Bernard K. Gordon is Chairman of the Department of Political Science at the University of New Hampshire. His most recent book is *Toward Disengagement in Asia* (Englewood Cliffs, N.J.: Prentice Hall, 1969), and he is the author of other books dealing with New Zealand and with foreign policies in Southeast Asia. He has traveled regularly there, and in mid-1971 conferred with a number of defense and foreign policy officials in Australia.

"The historically conditioned outlook of the Australian public continues to affect political style and policy direction. But newer concerns and values are developing."

Australian Society

BY HENRY S. ALBINSKI

Professor of Political Science, The Pennsylvania State University

CONTEMPORARY AUSTRALIA is manifesting many of the movements and concerns of the times—assertiveness among young people, women's liberation, environmental improvement, a review of conventional notions governing international power-bloc competition, and the like. All the same, present day Australian society and political style continue to reflect the country's special legacies, and to condition the climate and direction in which the dialogue over social change has taken place. An analysis of this interplay can conveniently be built around two organizing themes. The first refers to Australia's physical setting and population composition; the second to certain socioeconomic and political management values.

Australia's geographic setting and population characteristics have, inescapably, stamped their influence upon the society. Australia is an immense island-continent of nearly three million square miles, a white, Western, economically developed yet sparsely populated outpost lying off Asia. Even today the country has fewer than thirteen million inhabitants; when the six colonies federated and became states under the Commonwealth of Australia in 1901, fewer than four million people lived in the country. Highly conscious of their unusual position, nineteenth century Australians became hypersensitive to international conflicts and rivalries in the region around them, and to an imagined yellow peril. Throughout the twentieth century, Australians have retained their preoccupation with the theme of national security, and in the post-World War II period have been especially concerned with the implications raised by decolonization, nation-building, and the emergence of Communist influence in Asia. For the Liberal-Country party (L-CP) coalition government, in power federally since late 1949, the defined security stakes have impelled alliances, intimate relations with the United States and military contributions to deterrent actions, as in Vietnam.

The domestic Australian Communist movement is electorally impotent, and has insinuated itself only

slightly into the trade union movement. But the governing parties have, to their political advantage, tied communism's alleged external meaning for Australia to local communism. This has occurred at the expense of the opposition Australian Labor party (ALP). The ALP is a party with close trade union connections and is dominated by moderates rather than by radicals. Its foreign policy is oriented more toward détente than pacifism. But its contributions to the rethinking of conventional assumptions about foreign and defense policy have often been weakened or overlooked. Labor has been bedeviled by intramural frictions, and by a certain acerbic defensiveness bred by over 20 years in national opposition. It indicts the government parties for impairing Australia's prospects for living with the new Asia, and for a demeaning sycophancy toward the United States. Labor's proposals, in turn, are regularly derided by its critics as inconsistent, unrealistic, or embarrassingly suited to the advancement of communism's own purposes—and Australia's downfall. In sum, much of the present debate over external policy objectives and methods has been distorted by strongly emotive and accusatory overtones, resulting from Australia's peculiar setting and political experience.

Insularity also shaped a distrust of people different from the Australians themselves. The dark-skinned aboriginal population which was encountered by migrant whites was small, scattered and, by Western standards, desperately backward. Unlike the Maori in New Zealand and many North American Indian tribes, the aborigines failed to win the personal respect of white colonizers. Outright settler hostility toward aborigines eventually gave way to neglect and only very recently, and without full commitment, to programs of genuine uplifting. The aborigines represent only about one per cent of the national population; they live outside everyday contacts with the great majority of white Australians; and, so far, they have lacked the spirit or organization to confront white Australia. Most Australians find this comforting.

Others regret it morally or fear that, once aroused and reasonably organized, the aborigines will impose demands and generate tensions which the Australian society is not temperamentally fit to handle in stride.

IMMIGRATION POLICY

Australian feelings of exclusiveness and racial superiority were bolstered by popular conceptions of aborigines and of the native population in Australian Papua-New Guinea; racial, cultural and economic defensiveness was forged by visions of brown or yellow intrusion from Asia and the Pacific. For well over half a century after federation, Australian immigration policy effectively excluded non-Europeans and even discouraged the entry of white persons from outside the British Isles. After World War II, a Labor government initiated an ambitious migration program which has been continued by L-CP governments. It was innovative because of its scope and because, for the first time, migration depended on large numbers of continental Europeans.

There were public misgivings about the policy, but the main aspects of its justification rang true to Australian values. A larger population would contribute to national security, a consideration which loomed large following the Japanese conquest of Southeast Asia and menacing actions on the seas to Australia's immediate north. Also, it was argued that a larger population would promote a level of economic prosperity which was otherwise unobtainable; memories of the depression-ridden 1930's were still vivid. The migration program not only induced high population growth but introduced a whole new strain of customs and ideas into an insular-minded population which until then had been almost entirely British. It also helped pave the way for what is now a cautious, highly selective approach to non-European migrants, several thousand of whom now enter annually.

As the large-scale and conspicuously non-British migration was partially acceptable on economic grounds, so the acceptance of some two million non-British whites and a modest number of Asians was facilitated because postwar economic conditions have been buoyant. Living standards have been high; diverse consumer goods are available; the economy has grown and diversified; annual trade balances now run to Australia's advantage; and discoveries of enormously rich natural resource deposits have brightened prospects for the future. Not only have times been generally good, but the influx of newcomers has not endangered jobs and wage improvement for native Australians. Unemployment rates have for years stood at between 1 and 1.5 per cent, while noticeable inflationary pressures began to assert themselves only with the coming of the 1970's. Interestingly, with the recent surfacing of some as yet minor economic weaknesses, visible hesitation about continuing with

aggressive migrant recruitment and misgivings about attendant costs have asserted themselves.

The postwar transfusion of various national groups has had a bearing on the political debate over communism and on a religious tension within Australian society which long underlay an apparent racial and linguistic homogeneity. Catholics have always been a minority in Australia, but until the postwar period they were preeminently of Irish origin. Nineteenth century Irish Catholics in Australia felt social, economic and even religious discrimination, the last of these complaints arising out of the decision of colonial governments to withdraw assistance to denominational schools. The Irish Catholics gravitated to the new ALP because they were mostly of the working class and because labor was less prejudiced against them than other parties. The ALP has to this day received a disproportionate share of the Catholic vote, and a great many of its political figures, state and federal, have been Catholic. But the strong Catholic presence also played a part in bringing torment and schism to the party. In World War II, Labor split because of divisions over conscription, partially fueled by anti-conscriptionist, Australian Irish Catholic resentments over Britain's reaction to the Irish independence movement. Another ALP split, in 1955, resulted from the conjunction of various forces, among them the official leadership's estrangement from a bitterly anti-Communist, essentially Catholic group which, the ALP charged, was endeavoring to capture the party from within.

The ensuing split gave rise to the Democratic Labor party (DLP), which has contributed greatly to publicizing the anti-Communist gospel in Australia, and has been an unflagging advocate of public assistance to Catholic schools. The party's existence has had both political and religious implications. The DLP rejects labeling as a denominational party. But its electoral constituency, always overwhelmingly Catholic, has been strengthened by European Catholic migrants; nearly 30 per cent of the Australian population is now Catholic. The DLP's appearance aroused sectarian feelings and has consistently impeded the ALP's electoral fortunes, despite the fact that the DLP has only a few Senate seats, has never been represented in the House, and has only one parliamentarian in all the state legislatures combined.

On the other hand, the DLP's ability to mobilize a sector of the Catholic vote and its publicity on behalf of the needs of Catholic education finally helped to bring all the major parties around to reversing the nearly a century-old tradition on aid to denominational schools. Most Protestants came to accept the legitimacy of state aid, while Catholics began to increase their role in and voting support for the Liberal party, whose clientele had formerly been almost exclusively Protestant. The controversy surrounding the

initial intrusion of some members of the Catholic hierarchy on behalf of the DLP has by now diminished. Although the DLP's appearance contributed to sectarian anger, recent developments suggest that a more binding religious reconciliation than had been possible for generations may be in progress in Australia. Catholics now feel that they are better and more respectfully treated and more widely politically welcome, and they have otherwise become more upwardly mobile.

Remoteness and a perceived vulnerability have fostered a certain self-consciousness, and this self-consciousness has for its part contributed to Australian nationalist sentiment. The British legacy and a long-standing dependence on British protection inclined Australians to retain British symbols, such as the British Crown as titular head of the Australian state. But the absence of a serious republican movement, or of widespread agitation to adopt a uniquely Australian anthem or flag, can in a way be seen as obtaining because of, rather than despite, specially flavored Australian nationalist feelings. There was a pride that came of establishing workable, Western institutions far off in the Southwest Pacific. A sense of solidarity was also spurred by apprehensions over real or imaginary threats to political or racial survival. Religious irritations notwithstanding, Australian nationalism was able to mature without the distractions often imposed on other societies by racial or cultural disharmonies. Its development was furthered by the absence of overweening outside influences which, as in the Canadian experience, have sometimes diluted a distinctive national identity. A culturally plural Canada overshadowed by the United States has struggled for generations to define her national personality. A homogeneous, physically isolated Australian society evolved a sense of community even before there was a formal Australian nation. There is considerable foreign economic ownership and control in Australia—British, American and, more recently, Japanese. These influences are not on the scale reached in Canada, and overall they have been a decided asset to Australia's development. Even so, it is precisely because Australians feel reasonably secure in their national attachments that discussions over a foreign economic presence have been only slightly colored by a demand for the restoration of national self-dignity.

EGALITARIANISM

The Australian outlook toward material well-being and social questions generally is another inheritance from an early period of national development. Egalitarian conceptions were fostered within a society originally a free settler community composed of convicts, many of whom settled in Australia upon becoming emancipated. Those who remained in Australia strived to establish a reasonable livelihood under fre-

quently adverse circumstances, and few held any brief for traditional British class and social structure distinctions. Self-government in the Australian colonies appeared rapidly and painlessly, and so did universal male and then female suffrage. Many features of the newly established Commonwealth of Australia reflected notions of popular control of government. Both chambers of the federal Parliament, the House of Representatives and the Senate, were popularly elected from the beginning. Amendments to the federal constitution could be enacted only after submission to a public referendum which required approval in over half the states, and with the concurrence of an absolute majority of the Australian voting public.

Out of practicality rather than doctrine, government in colonial Australia was quickly called on to provide a variety of services and to promote equitable living conditions. Even before federation, Labor governments appeared in the colonies, and in 1904 the first national labor-social democratic ministry in the world was formed. Trade unionism burgeoned. Basic wages for workers began to be established by quasi-judicial federal and state tribunals. Innovative legislation was adopted federally and in the states. For a time, at the turn of the century, Australia gained international recognition as a kind of model social laboratory.

Australian egalitarianism was, however, of a special order. For instance, its focus was on the creation of nearly universal standards and entitlements for ordinary people, not on the promotion of opportunities for the gifted or the energetically ambitious. One result was that free and comprehensive primary education became settled policy before the close of the nineteenth century. Advanced secondary education, however, did not become popular until after World War II, and the flowering of higher education is a development of the past 15 years. Australia continues to contribute a smaller proportion of its Gross National Product to education than nearly any other Western society. Primary and secondary school curricula remained rigid, and among English-speaking nations Australian school teachers have been found to be among the most authoritarian. Only lately has there been a public turnabout from a system long disposed to educate great numbers to a modest level and by directive means, and only lately has there been a scramble at various levels of government to locate the funds required for a major effort of educational upgrading.

Likewise, acquisitiveness, wealth and status have not been cherished values in Australian society. The complex system under which for decades official tribunals have provided workers with graded wages inculcated preferences for job security and worker solidarity of a sort, not for affluent success, rugged individualism or even a keen sense of accomplishment.

Although Australia is prosperous, it ranks low on the index of productivity. Ambition, for many Australians, has fairly mundane objectives, such as a modest home of one's own—an objective met so well that the country enjoys what is perhaps the world's highest incidence of private home ownership. Income differentials among occupational groups are not particularly wide; taxation begins to cut into disposable income at a low scale of earnings; and, at all events, even those with wealth, who may have had exclusive school educations, are not prone to follow ostentatious life styles. Survey data collected over the past several years indicate that a majority of Australians perceive themselves as members of a middle class, while only a tiny fraction, regardless of objective criteria of income or position, regards itself as above that station.

All the same, an important adjunct of Australian egalitarianism is the public's inclination to associate itself with particular constellations of functional interests. This Australian version of the pluralist society presupposes that these interests have legitimate claims on a share of distributed resources. Hence we find that trade unions and a trade union role in party politics are widely accepted tenets across the Australian population, even among non-unionists, the prosperous, and those who support non-Labor parties. Similarly, although a phenomenal 88 per cent of Australians are urban dwellers—a world record—there is widespread acceptance among the urban population of special concessions to the rural sector of the economy, and of an attenuation on behalf of nonurban dwellers of the "one man, one vote" principle. It is therefore not surprising that trade unionists, those employed in the various primary industries, and business and manufacturing interests are very highly organized. They enjoy considerable standing in official circles, in more or less conventional interest group terms, or through political party vehicles. Although the generalization is imperfect, it can be argued that two of the three principal parties preeminently rely on the electoral support and foster the particular ends of functionally defined constituencies. One is the ALP. The other is the Country party, an influential partner of the Liberals, federally and in several states.

PARTISAN POLITICS

Despite the tart quality of Australian partisan politics, the major interest constellations have traditionally enjoyed immunities and policy concessions. For example, there has historically been little effective control over monopolistic practices, price fixing and stock exchange operations, and not solely because of constitutional obstacles. An implicit principle of harmony was long assumed to regulate the interplay of the main economic sectors. High tariff walls and permissiveness toward business practices protect domestic manufacturers. To be sure, this impairs effi-

ciency and raises local prices. But the primary industries are lavishly subsidized, while workers are protected by periodically adjusted and authoritatively determined scales of wages and by a meticulously defined set of working conditions.

The supposed natural harmony inherent in this approach has recently been placed in question. Strikes have become more severe, and federal and some state governments have begun to take a tougher line against union demands and practices. Some realization has appeared that a large sector of the primary industries needs to be reconstructed or even phased out, rather than indefinitely propped up by subsidies. There is spreading division within the business-industrial community itself about the wisdom of steep tariffs, and in the past few years business has been increasingly subjected to legislative control and accountability.

Some conventional notions about social priorities are also breaking down. For instance, although Australia is a prosperous society with a low incidence of outright poverty (about 8 per cent) and few slums, it has become clear that the quality of life for economically marginal people—the old, the sick, the deserted—as well as for the mainstream population, has not improved as much as available resources can provide. A means test for social services, once agreeable, is now generally regarded as outmoded and unfair. The health insurance scheme, partially underwritten by the federal government, is neither comprehensive nor means-test-free. Labor and the Liberals regularly exchange angry words over health services. But the Liberals, in the tradition of non-Labor parties generally, have incrementally improved and liberalized health benefits for the past two decades. Labor, on its part, recognizes that "nationalized medicine" is not a tenable alternative.

Australians have always expected government to "perform." But they have been allergic to official dictation. There has been a parallel tradition of refusing to take politicians too seriously. Although the electorate decides who governs, and government is expected to govern positively, checks and buffers have been preferred to the abuses foreseen in the concentration of authority. This cultural trait has been partially responsible for the numerous constitutional referenda occasions on which the public has shied away from approving increases in federal power, and for the countenancing of often conservative, occasionally obstructive, and even non-popularly elected second chambers in some state parliaments.

Yet, Australian life generally is and has for a long time been pronouncedly bureaucratized. More than one out of every five employed Australians works for the government; the usual solution to problem-solving has been the elaboration of official structures; there is a reticence to accept independent, high-level, advisory bodies, such as might be created in the science

or economic fields. On the political side, only very recently, and tentatively, has the tradition of concentrated executive authority been relaxed. In the federal Parliament, for instance, very few provisions have been made for effective legislative oversight, and only lately, and for the first time in either house of Parliament, the Senate has established a wide-ranging system of standing committees.

URBAN PROBLEMS

The interaction of constitutional constraints, political exigencies and pressures for social change are illustrated in the debate over conditions in Australia's great cities. Constitutionally, local governmental bodies are the creatures of the states. They are excluded from numerous functions normally associated with American local institutions, such as police, housing and education. Apart from property taxes, they enjoy no meaningful, independent sources of revenue. Among the major cities, only Brisbane has a consolidated form of urban government. State governments have preferred to retain authority and revenue sources. Many state parliaments are malapportioned in favor of rural interests, and state Country parties exert their own influence on resource allocation. Since Canberra absorbed all income tax collection during World War II, state revenues (and therefore state party priorities) have been especially dependent on federal decisions on tax redistributions.

Given their pervasive constitutional responsibilities and inflating costs, for years the states have felt financially cheated, and the cities have been among the losers. Politically, Country party influence in Canberra for decades influenced the passing of petrol tax funds back to the states through a formula which inordinately emphasized rural road construction. Many cost-sharing programs initiated by Canberra have gone to "prestige" projects rather than to more basic purposes such as urban planning and development or environmental regulation, areas in which Australian cities have lagged behind, but for whose correction they have lacked either authority or financial means or both.

Constitutional remodeling has had to contend with legalistic judicial review and a formidable process of formal amendment. There is, nonetheless, evidence that some habits of political management are shifting. State premiers have recently become more united and aggressive in challenging Canberra's priorities and, through political pressure, have been winning more generous access to revenues. Accumulated complaints about neglected urban road systems, as well as some decline in political influence among rural interests, recently reduced the diversion of petrol tax revenues to country road construction. In New South Wales, largely Sydney-based consumer organization pressures persuaded the state government to create agencies for

disseminating information and hearing complaints. In Sydney, redress against building code decisions is channeled through an appellate body with strong expert and public interest representation. The federal ALP is recommending the presence of urban government representatives on advisory and decision-making agencies now limited to state and federal spokesmen and more ambitious reforms involving the investiture of local and regional bodies with effective functions.

The degree to which the public is capable of being mobilized behind new decision-making or social priority strategies is a separate matter. The Australian cultural idiom is in some respects conformist, resisting or at least turning with indifference from certain forms of change. Australians are not celebrated for their sense of public charity or their willingness to defend or sacrifice for esoteric causes as a matter of principle. Australian electoral behavior reflects exceptional partisan anchorage, and usually an unsusceptibility to other than pocketbook appeals. In this vein, dialogues over fashionable yet subtle issues touching on social change, the quality of life, participatory decision-making and the like, are not especially permeable among the Australian mass public.

But the coin has another side. Political decisions overturning supposedly ingrained biases, as on state aid, have proved broadly acceptable. The federal ALP, frequently accused of being rather old-fashioned and bread-and-butter oriented, has produced commendable policy planks on civil liberties, environmental protection and a new deal for cities within the framework of reshaped intergovernmental relations, although these positions reflect the disposition of its elites rather than of rank and file followers. The state Labor government in South Australia has, by Australian standards, pursued creditable legislation in private rights, educational reform and other areas. The Australian Council of Trade Unions has committed itself to undertake its own projects in retailing, insurance and housing. Despite acquiring political rights at an early stage, women have traditionally been subjected to a peculiarly Australian form of male chauvinism, and have been notoriously discriminated against in employment by a job-security and wage-

(Continued on page 164)

Henry S. Albinski specializes in comparative politics, particularly in Australian and Canadian politics and foreign policy. He has been a Visiting Fellow at the Australian National University and a Visiting Professor at the University of Queensland and held Australian-related consultantships. Among his books are *Politics and Foreign Policy in Australia* (Duke, 1970), *Australian Policies and Attitudes Toward China* (Princeton, 1965). He has just completed a book on comparative Canadian-Australian politics.

"One of the outstanding enigmas of the Asian-Pacific situation is what role Australia and Japan can hope to play, singly, jointly, or in collaboration with other powers, in the ultimate quieting of that profoundly agitated part of the world."

The Historical Context of Australian-Japanese Relations

BY C. HARTLEY GRATTAN

Professor of History, University of Texas at Austin

THE SOUTHWEST PACIFIC AREA of which Australia is the focal point and of which New Zealand is a secondary focus has, since its discovery, been more or less precisely perceived in relation to Asia. Yet over the greater part of its history since the end of the eighteenth century it has had only a slight and ambiguous relationship to Asia, east, southeast or south, political, economic or cultural. Standard descriptions of the area include "under the overhang of Asia" and, more commonly, "Australasia" (ie., Southern Asia), a term which persists to this day. Nonetheless, as natural environments, Australia and New Zealand suggest Asia hardly at all in any of their parts. And while Fiji has frequently suggested Asia to observers, that is because what has become the dominant element in the resident population is today of Indian origin and this suggests Asia, but it is not a hard, negotiable fact of significant import.

The only important migrations of peoples out of Asia into the Southwest Pacific were prehistoric (and to some degree hypothetical), involving the presumed origins of the Australian aborigines and the Polynesian, Melanesian and Micronesian peoples of the islands (including New Zealand). These occurred so early in history that by the time the Europeans penetrated the area the migrant people figured as indigenes and their cultures were so particularistic as not to suggest Asia at all. Thus "Australasia" was not perceived by the pioneering Europeans (mostly British) to be in any compelling sense a province of Asia, but as an "empty" area reserved by providence for their occupation and exploitation. The modern Asians now scattered through the Southwest Pacific are almost always to be explained by a close relationship to some economic enterprise of the Europeans to which the Asians were related as "labor," though at

later stages the elite of the Asians acquired higher status. The pioneering Europeans, as a matter of fact, early developed a sense of apartness from Asia, or a "psychological distance" from Asia, and by the middle of the nineteenth century this sense of apartness began to be translated into policies designed to keep "Asia" at a distance. Particularly in the case of Australia, the sense of "psychological distance" (in contrast to geographical propinquity) was reinforced by policy which was designed to guarantee the apartness, the difference, the European-ness of Australia. Obviously the situation was full of ambiguities, and it is the strongly felt need somehow to resolve the ambiguities that preoccupies the Australians today.

The Australians emphasized that what they were bent on preserving was their Britishness. As this implies, there was from quite early on a hostility to non-British Europeans, particularly non-English-speaking Europeans, as well as to Asians. The care for Britishness extended to a concern for preserving the Britishness of the political institutions that developed in Australia, to the standard of living which was achieved in Australia and to the culture-at-large. The objection to Asia was frequently translated into the allegation that only people of British origin could be expected to "work" such institutions and support such a standard of living. Others, Asians in particular, were unassimilable, not exclusively because of race but also for politico-cultural reasons.

Sporadically a public issue in earlier decades (chiefly in terms of proposals to supplement the labor supply of the rapidly growing pastoral industry by importations of workers from Asia), the matter first achieved a high and permanent place in the repertory of public questions during the gold rushes of the 1850's, at which time there was a heavy influx of Chinese. The presence of Chinese in numbers on

the gold fields exasperated and affronted the European gold-diggers; destructive riots ensued; and the colonial governments began to devise laws which would reduce the Chinese influx. Out of this experience, during the later nineteenth century, Australia moved step by step toward an immigration policy that would exclude yellow, black and brown peoples as permanent residents. The Chinese, who have the dubious honor of starting this particular ball rolling, were, of course, a people of high visibility in a predominantly "white" European population. But while color and race figured conspicuously in the minds of the people—race prejudice was at work—the more sophisticated exponents of an exclusion policy from the beginning invoked political, economic and cultural differences also.

The whole business was complicated in the decades that followed by the introduction into the colony of Queensland of Pacific Islanders ("kanakas") as a labor force for the multiplying sugar plantations. Between the mid-1850's and 1901 a persistent Australian intention was to keep the Chinese and the Pacific Islanders out of the country as permanent residents. However, sentiment on the point was not unanimous, for there were differences of views as between colonies—six of them—and as between the "interests." The Queensland plantation owners and their political allies alleged that without kanakas the sugar-cane could not be grown. A few tough-minded laissez-faire liberals resisted exclusion for ideological reasons. And the British authorities in London resisted proscription by race.

However, it is a fact that in the late nineteenth century Australian sentiment predominantly favored the exclusion of yellow, black and brown peoples; and it is indicative of this that among the early legislation of the Commonwealth of Australia—a federation of the six colonies launched in 1901—was an immigration law that in effect excluded the yellow, the black and the brown peoples. The policy became known as the White Australia Policy. But (an ambiguity) the law did not proscribe on the basis of race but by a language or literacy test, adopted as a compromise at the insistence of the British government whose voice in the matter was that of Joseph Chamberlain. The White Australia Policy became as near to being a universally accepted policy for Australia as any ever advocated for the Commonwealth; and its universality of acceptance was little alloyed until the decades after World War II.

A RACIALLY RESTRICTIVE POLICY

It is a remarkable fact that the Australians de-

veloped an immigration policy during the five decades from circa 1850 to circa 1901 which by their own advertisement was racially restrictive (whatever the actual language of the law); it is equally or even more remarkable that they continued to maintain their position through the first half of the twentieth century, because they were never during the 100 years in question a numerous people. Up to 1901, they were unevenly distributed over six square colonies.¹ The answer to this seeming conundrum appears to me to be found in the fact that during the entire century the Australians were *colonial* in status within the British Empire and were never really called upon to defend their racist position; indeed the diplomacy involved was turned over to the British. If during the 100 years the situation had degenerated into war by an affronted people on Australia, again it would have been the British Imperial authorities who would have borne the burden, for it was a dogma as strong as White Australia that Australia could not defend herself out of her own resources against anything resembling a major challenge.

While British imperial power centered in Europe, British power in Asia was most directly related to the Australian situation. Australia was able to follow her chosen course with regard to the racial composition of her resident population because the power of the British Empire, and particularly the power of the imperium, pretty consistently waxed in Asia during the years that Australia was developing from the rather miserable convict settlement begun at Sydney in 1788. Whether one is dealing with the peopling of Australia, the defense of Australia, the growth of the Australian economy, or her political and cultural characteristics, the fundamental frame of reference is the British Empire and the final reference point is the headquarters of the imperium in the British Isles, although the state of things in Asia can never be overlooked.

It is interesting to notice that the predominant position of the British Empire in Asia was achieved in largest measure *after* the British had established themselves in Australia in 1788. A quick look at Britain's position in India, Malaya and China circa 1788, and a rapid rundown of the changes in the British position up to World War I (when the position began to weaken) will make the point more vivid. The Australians were moving into their first viable and dynamic economy—the running of sheep for wool on the native pastures—when the British, as represented by the East India Company, began to try for paramountcy in all of India (c. 1818); about this same time the British finally ousted the Dutch from the Cape (1814); Sir Stamford Raffles established Singapore (1819); the British took Hong Kong in 1842; and in 1858, following the Indian rebellion of the

¹ Population of Australia: 1850—405,356; 1860—1,145,585; 1900—3,765,339; 1920—5,411,297; 1950—8,315,791; 1960—10,391,920; 1970—c. 13,500,000.

previous year, the British government assumed full responsibility for the governance of India, the foundation stone of the British position in Asia. Progressively, during the balance of the nineteenth century, British power in Asia waxed, fending off all challenges, real or imagined, from the French, the Russians and the Germans, until in 1902 the British felt it necessary to reinsure their position (particularly in its Eastern Asia extension) by allying themselves with a rising Asian power, Japan. By that time the Australians had consolidated their racist position vis-à-vis immigration. I doubt they could have done this if the British power in Asia over the decades from 1850 had not been what it was.

BRITAIN'S ASIAN EMPIRE

Unfortunately, nobody has yet worked out in exact circumstantial detail the relations of the Australians with Asia over the years, but from the bits and pieces that come to the attention of any wide-ranging reader it is apparent that the Australians freely "accepted" the British imperialist position in Asia in its several expressions, and relied, even if often unconsciously, on the British to keep the Asians from interfering with them. However, it is also reasonably clear that the Australian interest in the Asiatic empire was in the British imperial personnel, governmental and non-governmental, and hardly at all in the Indians, the Ceylonese, the Burmese, the Malays or the Chinese, whether at home or abroad (as in Singapore).

Not that the Australians did anything more than generally accept the British position in Asia as a very useful fact of life for them. There is evidence that some fairly important Australians did not care much for the British Asian empire and some were critical of it in a general way. But even the most critical were hardly anti-imperialist because they were pro-Indian, say, although some raucous, and off-side, Australian voices could at the end of the nineteenth century be heard referring to Britain's "nigger Empire" which, they professed to suspect, the British cherished rather more than Australia. As to the Japanese, with whom the British allied themselves in 1902, the Australians in the beginning saw this alliance as only doubtfully useful to them, but in the next 20 years they worked around to the idea that the alliance was valuable as facilitating British restraint on Japanese adventures southward toward, or to, Australia.

Other than this general utility notion of the uses of Britain's Asian power to Australia, Britain's power in Asia related to the defense of Australia. In the earlier decades, much of the British naval strength that showed itself from time to time in Australian waters was made up of ships from the India station of the British Royal Navy. At a later stage, the

China Sea squadrons of the British navy figured in Australian calculations about their defense. After World War I, the focal British defense point in Asia became Singapore, and Australian expectations about the exertion of British power in *their* defense centered on Singapore. In 1909, the Australians began to build a navy of their own, but it only made sense when thought of in intimate relation to the Royal Navy and particularly in relation to the imperial naval power in Asia, if the direct defense of Australia was in question. (Of course, the imperial naval power in Asia was justified by the British Empire in Asia.)

As to trade, any examination of the figures for exports and imports from Australia or Asia (or even British Asia) will show that in total it was only a tiny percentage of the trade with the United Kingdom in Europe. It was, in both its phases, marginal to the Australian economy. Culturally, "Asia" had from little to no influence in Australia. Thus it can be argued that Australia maintained an "apartness" from Asia and that apartness was sustained by British power and authority in Asia.

Since Australia was imperial-minded, Britain's enemies were Australia's enemies and the Australians, of course, were fearful of what Britain's enemies might do to injure her. Thus during the nineteenth and early twentieth centuries the Australians took alarm at the attitudes and activities of the French, the Russians and the Germans which were believed to be inimical to the British in Asia and the Pacific—and to Australia. As for the Asians, they were contained by their imperialist masters. Nevertheless, the Chinese were not thought to be entirely and absolutely contained and they figured as an Asian menace—a Yellow Peril—for many decades, only to be replaced sometime in the 1890's by the Japanese as it became more and more obvious after 1854 that the Japanese were to be unrestrainedly sovereign in their foreign relations. After 1902, however, the Anglo-Japanese alliance gave an ambiguity to the Australian view of Japan which allowed Australia at once to think of Japan as a menace and as in some fashion restrained from adventures southward by the British.

EARLY AUSTRALIAN-JAPANESE RELATIONS

Japan did not begin to figure in the Australian knowledge and imaginings about Asia in its relation to Australia until the middle of the 1890's. It certainly did not capture the Australian imagination on the instant of its opening by the Americans in 1854, when the Australians were in the middle of their gold-rush decade. During the 1860's, 1870's, and 1880's they were fully preoccupied with development, chiefly land development, and the intensification of their very early remarkable urbanization.

This they were doing largely under their own political direction, for all the colonies save Western Australia (which had to wait until 1890) achieved "responsible government" in the 1850's. The vital context of all this was British imperial, for not only did almost all the incoming people come from Britain, but much of the needed capital on private and public account came from London and the fruits of development were chiefly exported to Britain, as the imports of commodities and culture came chiefly from there.

The population did not become predominantly Australian-born until 1871, but the fixation on the desirability of British origin was already well established. The Australians were moving toward a vast pride in being 98 per cent British. In this situation, Asians meant Chinese, and their exclusion was becoming a fixed point of policy. Not until the 1870's did Asian begin to mean also the Japanese. Not until 1879 did the Japanese have a consul in Australia. The first was a British national named Marks who lived in Melbourne. He was honorary and unpaid. The first Japanese consul of Japanese nationality, Tsunejirō Nakagawa, was stationed at Townsville in Queensland from January 1, 1896. Until 1940, the highest ranking Japanese representative in Australia was a Consul-General at Sydney, but in that year Australia exchanged ministers with Japan.

Until 1940, then, all diplomacy involving Australia had to be transacted by the Japanese with the United Kingdom. Although the Tokyo-London exchanges involving Australia up to 1940 touched on a curious range of subjects, a review of the 45-volume Japanese-language history of Japanese diplomacy which I have had checked for me, shows that the regularly recurring item was the application of the doctrine of White Australia to the Japanese.

When the first contact between Australia and Japan actually occurred is not at all clear; but in 1861, it is recorded, Australia sent exports to Japan worth £1,805. Exports regularly increased in the ensuing years, although by 1890 they were still valued at only £14,583. Presumptively the basic commodity was wool. At this stage, trade with China was infinitely more important, particularly if Australian goods reaching China through Hong Kong are added in. The first figure for imports into Australia from Japan I have is for 1881, when the value was £23,245. By 1890, the figure was £78,417. Presumptively, the imports consisted of "fancy goods" and textiles, but in what proportions is unknown. The fancy goods consisted of such things as vases, fans, screens and other decorative items and their merit, aside from the exoticism, was their cheapness.

It is indicative of the fact that the trade was more cherished by the Japanese than by the Australians that while the Japanese established a shipping service

to Australia (Nippon Yusen Kaisha) early in the 1890's, all the Australian colonies except Queensland refused to accede to the Anglo-Japanese Commercial Treaty of 1894. Five of the colonies feared that under the provisions of the treaty there could be an influx of Japanese for residence, while Queensland, the odd man out, proposed to allow some Japanese to enter to work as laborers in the sugar fields. This accords with the earlier generalization, that Asiatics normally appeared in the Southwest Pacific as laborers in European enterprises. The Queenslanders did bring in some Japanese for the sugar plantations and they were numerous enough to justify the appointment of a Japanese as consul, stationed at Townsville. In fact, by special arrangement, they stayed at work for a short while even after the Commonwealth immigration law of 1901 became operative, when they were forcibly repatriated. Although other proposals for bringing in Japanese were made from time to time from the 1870's through the 1890's—such as a scheme for establishing a multiple-class Japanese colony in Northern Territory and a scheme for obtaining Japanese as farm laborers in Western Australia—they were abortive except in one connection and that enduring: Japanese were employed, chiefly as divers, in the pearl shell operations along the northern coast from Thursday Island in the east to Broome in the west. These Japanese were specially exempted from the doctrine of White Australia right up to 1941.

A NEW IMAGE OF JAPAN

The Australians quickly found reason to be as suspicious of the Japanese as they had long been of the Chinese, as little interested in allowing them residence in Australia, and as little interested in promoting trade with them (as the action of 1896 signalizes). But it was not until the Sino-Japanese War of 1894–1895 that Japan as a nation came vividly to Australian attention. The war illustrated to the Australians, indeed to the world at large and the Asian colonial world, too, that the Japanese had come a long way, not least in adopting Western war-making techniques and, apparently, the West's imperialist ideology. From this time, the Australians began to substitute the Japanese for the Chinese as the imagined Asian "menace" to their security, a notion which fairly rapidly worked its way into the shape of an invasion of Australia. (As early as 1913, Lord Kitchener, during a study of the defense of Australia, identified the likely invasion route as via New Guinea and down the "sugar coast" of Queensland, then railwayless, toward Brisbane, Sydney and Melbourne.)

The Russo-Japanese War of 1904–1905 reinforced this notion of Japanese competence in war, both by sea and land, and intensified Australian suspicions.

However, there was a moderating idea at work: Granting that the Japanese must expand, if only to demonstrate their virility as a people (and to imitate the British?) might they not expand onto the continent of Asia, e.g., toward Manchuria, or Korea, or both? This would forfend any adventures southward toward Australia. The fact was that the Australians at large had little sympathy for China and the Chinese, even though individual Australians, like the Australian George Ernest Morrison, China correspondent of the *Times* (London), might be strongly pro-Chinese and strongly anti-Japanese. Some pro-Japanese orientation remained a "constant" in Australian thinking through the 1930's.

This remained the general view of the Japanese entertained by the Australians during the first three decades of the twentieth century: a view replete with ambiguities. When World War I broke out in Europe in 1914, the first order of business for the British in the Pacific was to oust the Germans and take over their possessions. This involved naval operations, not only to take over the German possessions but to disperse and destroy (if possible) the German naval units in the east and the Pacific. The British assessed their naval strength in East Asia as weaker than that of the Germans, though they might tip the balance by adding certain units of the brand-new Australian fleet. This did not seem easily feasible, so the British sought the help of their Japanese allies, though without requesting that the Japanese declare war on Germany. In the event, the Japanese did declare war on Germany and participated, along with the British, the Australians and the New Zealanders, in gathering up the German spoils in East Asia and the South Pacific. The Germans were driven out of the Pacific Basin and the Indian Ocean.

So swiftly did the Japanese act, or so slowly did the British move in giving directions to the Australians and New Zealanders, that in the Pacific the Japanese in the end took all the German-held islands north of the Equator, while the Australians and New Zealanders, surrogates for the British, took the German possessions south of the line (in effect, Samoa and New Guinea). This caused considerable disquiet, especially in Australia, for the Australians saw the Japanese making a long stride southward toward them. (The ex-German Pacific islands taken by the Japanese eventually became the celebrated Japanese Mandate, today the United States Strategic Trust Territory.)

During the war, the Japanese provided naval escorts for Australian and New Zealand troop carriers moving up the Indian Ocean to Suez; and carried out other missions of a "patrol" character. At a late stage, the British asked for Japanese naval assistance in the Mediterranean and the price of it was support

by the British of Japanese sovereignty over the Pacific islands north of the Equator. On the Australians all this had an impact which, to put it mildly, was ambiguous. They appreciated Japanese assistance in war-related activities; they distrusted Japanese moves, in the islands, and later in China, which promised to undermine their security.

THE PARIS PEACE CONFERENCE

The Australian-Japanese difficulties came to a head at the peace conference at Paris. Since both the Japanese and the Australians wanted to gain full sovereignty over the ex-German Pacific islands they had taken, the Japanese were pleased enough to have the Australian spokesman, Prime Minister William Morris Hughes, carry this particular ball. Hughes, however, ran up against the Wilsonian dogma that the islands should be held as mandates of the League of Nations. Hughes fought valiantly, but lost and had in the event to settle for a C-class mandate (especially devised to meet the case). It allowed Hughes to do what he had had in mind all along: to apply the laws of Australia to the mandate, including, ominously for the Japanese, the doctrine of White Australia. (The Germans had classified Japanese living in their islands as "Europeans," but classified Chinese somewhere between Europeans and natives. The Australians found no Japanese in New Guinea, but some Chinese, and these they forbade to migrate to Papua, the Australian colony in southeastern New Guinea, or to the Australian Commonwealth.) Hughes may have pleased the Japanese in his fight for sovereignty but they could not have been anything but displeased that one of his reasons for wanting sovereignty was to apply the doctrine of White Australia rigorously to the islands.

However, the real break with the Japanese came over their effort to have a statement of racial equality written into the preamble of the Covenant of the League of Nations. This Hughes adamantly, stridently and even unscrupulously opposed because he saw in it the "thin edge of a wedge" which might

(Continued on page 167)

C. Hartley Grattan has been involved in Southwest Pacific studies since 1927 and has published five hard-cover books on the area, including *The Southwest Pacific: a Modern History*, 2 volumes (Ann Arbor: University of Michigan Press, 1963); as well as numerous articles and book reviews. For 38 years he was a free-lance magazine and book writer in New York City. Today he is a Professor of History, specializing in British and American history, at the University of Texas at Austin; he is also Curator of the Grattan Collection of Southwest Pacificana.

"Within defense policy, though the external situation and the defense writers call for long-term thinking, the reduction in the perceived threat from China—if the moves toward diplomatic rapprochement with the West continue—coinciding with a period of domestic economic strain, inflation and industrial unrest seems likely to lead to a reduction in the over-all defense effort, though not to the pre-Vietnam levels. If so, the question of priorities will become acute. . . ."

Australian Strategic Perspectives*

By J. L. RICHARDSON

Senior Lecturer in Government, University of Sydney

THE THREE AND ONE-HALF YEARS since President Lyndon Johnson's decision to de-escalate the Vietnam war in March, 1968, have seen a remarkable transformation in the climate of thinking in Australia on issues of national security. As recently as October, 1969, the then minister for external affairs, Gordon Freeth, lost his parliamentary seat owing, it was generally believed, to his having played down in a major speech the "threat" of the Soviet navy in the Indian Ocean, a speech which provoked a strong reaction from the Democratic Labor party (DLP). Today the DLP grudgingly accepts even the *volte-face* in the government's China policy as it responds to the era of ping-pong diplomacy by announcing its desire to enter into normal relations with the People's Republic.

The change has been somewhat masked by the tendency of the party political debate to continue along well-worn grooves, dominated by Vietnam and for a time by the controversy over maintaining an Australian military presence in Malaysia-Singapore, which the government sought to present as a choice between regional involvement and isolation. Thanks to Vietnam, Australia's remoteness, and the governing coalition's success in profiting from an unchanging image of the international scene, an unreconstructed cold-war frame of reference survived in Australia for longer than elsewhere in the Western world; if indeed the pressure of events has finally induced the government to abandon it, the ready acquiescence of its supporters suggests the large part that political convenience rather than conviction has played in its survival.

However, if one framework has been undermined, there is at the political level no indication of a new

framework to take its place. Regionalism may be acquiring greater political meaning: good relations with Djakarta, Singapore and Kuala Lumpur have a higher place in Australia's priorities; there is greater awareness of the diversity of the problems of the region. But regional security arrangements of the kind urged by some American spokesmen as a corollary to the reduced American presence in Asia have not been accepted as the basis for a new strategic orientation, not because Australians are especially sanguine that the region will avoid violent change in the coming period, but because it is clear that Australia's limited armed forces could have only a slight influence on the course of events in the populous countries of the region, while any armed presence could involve Australia deeply in conflicts not of its choosing. Thus, although Prime Minister John Gorton's tactics in negotiating with Malaysia and Singapore in 1969 over the Australian presence were widely criticized as needlessly abrupt, his caution and determination to hedge the commitment with stringent conditions probably reflected the prevailing Australian attitude. The recent conflict over payment of rent for the Australian contingent in Singapore suggests that both governments place only limited value on the presence.

In the Australian context it is idle to look to official statements for clues to new long-term thinking; Robert McNamara or Henry Kissinger have no counterparts at Russell Hill or the Prime Minister's Lodge. One must therefore turn to the increasing body of non-official comment and writing on defense issues. These have received greatly increased coverage in the press in recent years, with the *Australian Financial Review* in the vanguard, and the foundation of the Strategic and Defence Studies Center in the Australian National University has led to in-

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creased academic interest in defense issues, reflected in seminars and specialist publications, notably the *Canberra Papers on Strategy and Defence*. There is also greater contact between academics and officials, as distinct from senior politicians, though this is still less than in most comparable countries.

Any view of the trends in strategic discussion at this level will be subjective, especially since much of the discussion is specialist and the issues have not been focussed in terms of, for example, a sustained debate on Australia's foreign policy or defense options. Nonetheless, there may be value in an interim stocktaking, if only in provoking others to do likewise or to press on into new areas. One striking feature of the contemporary debate is the passive role of the left, in a period when developments in South-east Asia might be thought to have substantially vindicated the Vietnam critics. The debate, I will suggest, extends essentially from the center to the right of the politico-intellectual spectrum. Despite the foundation of groups of Concerned Asian Scholars, the left has contributed little new since the idea of armed neutrality enlivened the debate several years ago, extending its intellectual scope though having a negligible influence on policy thinking.

THE ECLIPSE OF THE LEFT

There appear to be two main reasons for the eclipse of the left. First, with the impending withdrawal from Vietnam and United States reluctance to contemplate commitments on the Asian mainland, the situation which provoked radical opposition is beginning to recede from view; the old slogans of forward defense or "better there than here" have lost their relevance, likewise the objections to Australia's being caught up in United States "imperialist" intervention. In one sense the whole debate has moved to the left, with all parties expecting or fearing less from the Americans, and viewing the prospects in less ideological, more national terms. But secondly, rather than converging towards a consensus at the center, a number of left commentators have moved even further left: attacks on Australia's mini-military-industrial complex and the defense intellectuals are tending to replace the politico-strategic analysis of yesteryear, a trend which suggests a remarkable overestimate of the influence of the targets of criticism as well as deepseated anti-military attitudes.¹ Thus the examination of foreign policy and defense options in a changing and much less predictable international environment has been left to commentators from the less radical two-thirds of the spectrum.

¹ An exception should be made in the case of Robert Cooksey, the persevering critic of Australia's space communications facilities, whose view that these bring greater risks than benefits remains constant. See, e.g., his article, "Pine Gap," *Australian Quarterly*, xl (December, 1968).

While it is too early to speak of a consensus, certain areas of agreement can be discerned: in particular, a general perspective of Australia's new situation and attitudes to the great powers, regions of special concern to Australia, and strategic priorities. In some cases agreement may hide differences in degree, and in certain areas the differences are more striking than the points of agreement: these include nuclear expectations and the over-all priority of defense in relation to other national activities.

The new perspective could be summed up as Australia's developing for the first time a systematic national-interest orientation, with an attitude towards great-power allies approximating to that of other small-to-middle powers. Traditionally Australia had viewed the world as a member of the British Empire—with its special strategic interests, to be sure, but the problem was to commit the resources of the empire to defend these; there was no question of regarding Britain as just one great power among others. For the past twenty years the United States has occupied much the same sort of position in the Australian public consciousness: loyalty to the American alliance has had a powerful electoral appeal, and major Asian policies have been shaped not in terms of Australia's direct interests in the area but in terms of buttressing that alliance. Such policies, notably with respect to China and Vietnam, derive their acceptability from the assumption of a protracted cold war type of opposition between Chinese-backed Communist movements and Western-supported régimes, but lose their appeal when serious American support for such régimes is no longer likely.

THE IMPORTANCE OF JAPAN

The new perspective is compatible with wide variations in the assessment of each of the powers, and is reinforced by the fact that Australia's chief market is now Japan, a power which could scarcely be more alien in terms of those personal, cultural and historical links which have in the past supported Australia's main relationships. There is some concern over this bilateral relationship, on the one hand concern over the potential dominance of the emerging economic superpower, on the other hand, criticism of Australian coolness and restrictiveness which may prevent the relationship from developing into more than a *mariage de convenance*. The expansion of the Japanese navy meets with some suspicion, but in general, while there is little expectation that Japan will assume the role now being abandoned by the United States in Southeast Asia, it is a source of reassurance that a power so much a part of the Western economic system as Japan is beginning to enter into calculation as part of any future Asian balance.

On the question of Chinese intentions and the prospects for communism in Southeast Asia there is

no consensus, but the new orientation brings into greater prominence two areas of relative agreement, viz, Chinese capabilities and Australian interests in the region. China's army is a potential source of pressure on adjacent countries of mainland Southeast Asia or, in the last analysis, a means of invasion, but this is a geographically limited area, and even here most would see the danger in terms of support for insurgency rather than invasion. In the new context, it is clear that the orientation of these countries is significant but not vital to Australia; as has been pointed out by H. G. Gelber, great-power alliances have enabled Australia to define its security interests with a generous margin,² which it may now be necessary to reduce. Gestures of accommodation towards China by such governments as the Thai and the Malaysian, far from arousing alarm, have appeared prudent in the new circumstances.

SOUTHEAST ASIAN NATIONS

Turning towards countries of greater direct interest to Australia, in particular Indonesia, Malaysia and Singapore, it is clear that the problems are in the first instance those of economic development, communal relations, political stability and perhaps their mutual relationships. Failure or breakdown could promote indigenous communism and could certainly tempt great-power intervention, but effective Chinese control seems a remote contingency.

Given Australia's lack of capacity to influence these developments, except through its marginal diplomatic influence over the economic and military policies of the great powers, there has been a partial turning of attention towards the one region where Australian power is not necessarily overshadowed, viz, New Guinea and the nearer islands of the southwest Pacific. Here the issue is not the defense of economic interests, and it should not be one of Australian involvement in post-independence conflicts (e.g., secessionist issues), but rather the interest which Australia would share with most of the indigenous peoples of discouraging intervention by any external power in such conflicts.

If the short-term prospect is not over-alarming, the longer term defies prediction, depending on such factors as the global economy, American willingness to play a military role, nuclear or non-nuclear, in the western Pacific, possible realignments among the three East Asian powers—Russia, China, and Japan—possible ties between a hostile power and one or more of the countries in Australia's region. Relating these political imponderables to the rapidly changing and increasingly complex developments in military technology, one is led to one of two overlapping ideas on

Australia's defense structure: the more ambitious, that there should be a systematic policy of defense self-sufficiency, and the more modest, that it should be the primary aim of Australian policy to keep up with advancing technology so that if a major threat should materialize the relevant kind of force could be rapidly acquired and manned. In the worst contingency this line of thought looks towards a Swiss or Swedish rationale for small-power defense forces, viz, that while one cannot hope to defeat a major attack by a great power, one can hope to deter attack by raising its price; in less dire contingencies, a militarily competent minor power is a more acceptable ally than one merely seeking protection.

DEBATE ON DEFENSE

Perhaps the most notable divergence within the present debate concerns the priority to be accorded Australia's defense capability, which is closely related to the sense of the urgency of external threats. At one extreme is the viewpoint most fully developed by B. A. Santamaria, who asserts the principle that defense policy should guard against the "worst plausible case," and, after examining the possibility of political breakdown in Southeast Asia, the opportunities for Chinese interference, the potential for influencing crisis changes of régime which uncontested supremacy in the Indian Ocean could confer on the Soviet Union, and the uncertainty of future American interest in the region, he argues for an expansion of the Australian defense effort, both short-term and long-term: a navy with several aircraft carriers which could reduce Soviet dominance in Australia's near north, a greatly expanded army which could make a substantial contribution against insurgency in a variety of contingencies, if possible a naval partnership with Japan, a civil nuclear program which would greatly reduce the lead time should Australia in the future see a need for nuclear weapons, and (following the Swedish example) a much greater effort in home defense production.³

Such a program, based on worst-case assumptions and fore-shortening the time period before the sort of unpredictable future contingencies alluded to above are envisaged as developing, seems out of touch with the present political climate; it is also alien to the style of argument of most other defense writers, who think in the sort of pragmatic incrementalist terms characteristic of much British (as distinct from a great deal of American) writing in this field. Most others have a much more modest sense of Australia's potential and are more concerned with priorities. Two areas most emphasized in recent discussions (though they do not amount to a consensus on priorities) are naval defense and Australian defense industry. Naval expansion has obvious relevance to the islands and possible assistance to friendly govern-

² H. G. Gelber, *The Australian-American Alliance* (Harmondsworth, 1968), pp. 23 and 97.

³ B. A. Santamaria, *The Defence of Australia* (Melbourne, 1970).

ments in Southeast Asia, and it is one of the fields in which there is a problem of avoiding too great a technology gap. The issue of Australian defense industry concerns the air force most of all: there is no questioning the desirability of a country in Australia's position being able to operate independently of overseas suppliers for extended periods, and this implies local production of a large range of spares if not of the original aircraft, but with increasing weapons sophistication the problems are formidable.⁴

NUCLEAR WEAPONS

The question of nuclear weapons is not immediate, but it involves difficulties of judgment about hypothetical contingencies of a kind that may tax the imagination of Australia's leaders even more than the national purse. Recent studies have shown that a limited nuclear force, possibly seaborne, is within Australia's technical and economic capacity over, say, ten years (or less if and when a civil nuclear industry is developed), though only with considerable diversion of resources, especially in scientifically trained manpower.⁵

The classic Gaullist arguments have been adapted to the Australian context by Professor Arthur Burns:

Against the very powers whose capacity to threaten Australia is what might make a nuclear guarantee significantly helpful, any guarantee is apt in practice to run out as such powers so increase the range and quality of their nuclear armaments that the guarantor-powers' capacity to limit damage after having punished the threatening power becomes questionable. These all-too-likely emerging factors of the late 1970s appear, as suggested, more obvious and ineluctable from the antipodean angle than from within one of the present Super Powers. . . . In the longer run . . . Australians who feel compelled to argue against acquiring nuclear weapons as a deterrent against China will have to do so more and more upon sheer moral grounds. These have at least the advantage of immunity from changes in military technology.⁶

⁴ For somewhat contrasting views see Peter Robinson, *Defence and Australian Industry* (Centre for Continuing Education, Australian National University, 1971) and Ian Bellany and James L. Richardson, *Australian Defence Procurement* (Canberra Papers on Strategy and Defence, no. 8, 1970, also in H. G. Gelber, ed. *Problems of Australian Defence* (Melbourne, 1970), an up-to-date set of papers.

⁵ See Ian Bellany, *An Australian Nuclear Force* (Canberra Papers on Strategy and Defence, no. 4, 1969). Bellany estimates that a small force of shipborne nuclear missiles would cost \$100 million per year over ten years, excluding the cost of the ships; he does not advocate such a force. T. B. Millar, *Australia's Defence* (2nd ed. Melbourne, 1969), pp. 157-68, has a similar analysis in more general terms.

⁶ A. L. Burns, "Australia and the Nuclear Balance," in Gelber, ed. *Problems of Australian Defence*, pp. 151, 155.

⁷ Millar, *Australia's Defence*, p. 162.

⁸ J. L. Richardson, *Australia and the Non-proliferation Treaty* (Canberra Papers on Strategy and Defence, no. 3, 1968).

⁹ For a rare exception, an article advocating that Australia take greater initiative in seeking to influence the pattern of Western economic relations with Southeast Asia, see Philip Eldridge, "Australian Aid to Indonesia: Diplomacy or Development?" *Australian Outlook*, xxv (August, 1971).

Of course this is a logically possible future, as is a future Soviet nuclear threat to Australia, a Sino-Western détente, or a world in which the use of nuclear weapons has become politically unthinkable. The uncertainties of deterrence work both ways. T. B. Millar has argued that "it does not seem to me more than microscopically likely that China would risk a nuclear war with the United States in order to bring pressure to bear on Australia for what must be marginal gains."⁷ The writer has drawn attention to the risk to Australia in nuclear proliferation itself, arguing for support for non-proliferation, which carries no irrevocable commitment for the longer term if non-proliferation fails.⁸ On this most speculative of issues it is not surprising that the range of opinion is perhaps the widest.

The most striking weakness in the policy debate does not lie within its own terms of reference, but in the failure to relate security policy to a wider conception of Australia's role in the regions of concern. The criticism that the problems are more likely to be economic than military, though simplistic and suggesting an unrealistic dichotomy, has some force in the context of a one-dimensional debate, but it needs to be filled out in terms of something more than proposals for a marginal increase in Australian economic aid.⁹

CONCLUSION

Within defense policy itself, though the external situation and the defense writers call for long-term thinking, the reduction in the perceived threat from China—if the moves toward diplomatic rapprochement with the West continue—coinciding with a period of domestic economic strain, inflation and industrial unrest seems likely to lead to a reduction in the over-all defense effort, though not to the pre-Vietnam levels. If so, the question of priorities will become acute, and it would seem likely that political convenience will lead to the acceptance of those strategic arguments which emphasize air and naval power and advanced weaponry generally, and to the abandonment of the politically most vulnerable of the present policies, conscription. Past experience suggests that Australian governments have no great difficulty in winning support for considerable defense programs if they themselves are convinced of the case for them. The present debate provides the materials for such a program, but it has not yet been integrated into a persuasive whole, and it is not yet clear how far Australian governments can act independently in terms of thinking that is flexible and longterm.

J. L. Richardson, Senior Lecturer in Government at the University of Sydney, is editor of *Australian Outlook*.

"... class voting in Australia is strong compared to North America," notes this observer, who outlines the recent history of Australian political parties and leading political figures.

Party Politics in Australia

BY TOM TRUMAN

Professor of Political Science, McMaster University

IT IS AN INTERESTING COINCIDENCE that the governments of Australia and Canada, as well as the United States, face elections this year, and in each case their fate hangs on the same factor, which is the condition of their respective economies in the months preceding election day. President Richard Nixon's election day, of course, is fixed by the constitution, but within statutory limits William McMahon, the Australian Prime Minister, and Pierre Elliot Trudeau, Prime Minister of Canada, can choose the time best suiting their governments. Canada has five-year Parliaments and technically Trudeau could hold out until June, 1973, but the convention has been firmly established not to go beyond the fourth year. However, McMahon, popularly known as "Billy," must choose a date before next October 25, because that was the day in 1969 when the last election was held, Australia having three-year Parliaments. Even more coincidental, though not all that surprising, the three governments must wrestle with precisely the same difficult economic problem, the occurrence of factors we used to think were incompatible, i.e., inflation and unemployment.

Inflation in Australia is certainly a serious problem. Consumer prices were rising throughout 1971 by about seven per cent. The comparable figures for the United States and Canada were 4.6 per cent and 3.5 per cent respectively, and these levels were generally regarded as far too high. However, Americans and Canadians will probably think it odd, if not plainly ridiculous, for the Australians to be deeply concerned at their current rate of unemployment, which is 1.5 per cent, when the American rate is 6.1 per cent and the Canadian, 6.6 per cent. But Prime Minister McMahon did not regard unemployment as a laughing matter. When he was about to leave for consultations with President Nixon in Washington he told reporters that there would be a pleasant surprise when the October unemployment figures were re-

leased. It transpired that the unemployment level, which had been rising for some months previously, had held steady during October at 1.5 per cent. Since then, however, the Institute for Applied Economic and Social Research has predicted that unemployment will rise close to the 1961 "credit squeeze" situation. On that occasion, unemployment rose sharply to 2.1 per cent of the work force as the government, then led by Sir Robert Menzies, grappled with a serious balance of payments difficulty and high inflation. In the subsequent elections, the government lost 15 seats to the Labor party and had its majority cut to a bare two seats.

The Australian sensitivity to unemployment may be linked to the much greater legitimacy of labor unions in Australia compared to Canada and the United States. Australia has the highest level of trade union membership proportionate to population of any country in the free world (over 50 per cent compared with about 25 per cent for the United States and Canada.) The trade unions are an integral part of the Labor party and their leaders occupy key positions in the party's power structure, sometimes overruling the parliamentary party and even (but less frequently), giving orders to Labor governments. The normal situation in the Labor party is that ideological and policy issues cut across the division into politicians and union bosses; the more or less constant power struggles take place between factions each composed of both unionists and parliamentarians. The Australian Labor party is much more a trade union party than the British Labor party.

The Australians' greater concern over what appear to Americans to be low levels of unemployment is probably related also to the greater sense of class consciousness which exists in the Australian working class compared with blue collar workers in the United States and Canada. Wage-earners in Australia outnumber salaried workers by six to one but in the United States and Canada salaried workers are about one-third as numerous as the wage earners.¹

Given these facts, it is not surprising to find that

¹ Robert Alford, *Party and Society* (Chicago: Rand-McNally, 1963), p. 116.

class voting in Australia is strong compared to North America. The Australian Labor party regularly receives about 70 per cent of the votes of the manual workers and from 28 per cent to 37 per cent of the votes of the non-manual workers.² The latter vote determines whether Labor is in or out of office. It is usually out of power because it is a social democratic party in a capitalist country, even though it is the party which in its own right regularly gets the support of most of the voters (between 40 per cent and 50 per cent). Legislative parties in the British parliamentary system are usually highly disciplined, but the Australian Labor party is one of the most highly disciplined of all, both inside Parliament and in the organization outside Parliament. The federal organization is built on the state organizations, but the policies of the federal conference are binding on all state branches and the federal executive controls the whole party between conferences. Ever since the 1920's, the electoral strength of the Labor party has caused the Liberal party, which won 34.79 per cent of the vote in 1968, and the Country party, which won 8.56 per cent, to enter into coalition arrangements.

POLITICAL PARTIES

The Liberal party is the party of business and the urban middle classes. It is based on an alliance of liberals and conservatives well to the left of the Republican party. It is a highly pragmatic party, its policies being more liberal when the Labor party appears to be more likely to win the next election and more conservative when the Labor party seems less dangerous. The Country party is a rural version of the Liberal party and was a breakaway of some rural elements from that party or its fore-runner, the Nationalist party, to be more precise, roundabout the end of World War I. The Country party has copied Labor's style of organization but without its centralization of control. Generally, in both the Liberal party and the Country party the parliamentary parties, especially the leaders, are dominant over the organization.

The Democratic Labor party resulted from a sensational split in the Australian Labor party when a group of Catholic Labor men who followed the lead of Bartholomew Santamaria, then lay director of Catholic Action, broke away from the main body of the party in 1955-1957 rather than accept what they considered to be pro-Communist policies and rather than submit to a purge of their more prominent members. Santamaria and his supporters in the ALP had formed the Australian Labor Party Industrial Groups to fight Communist influence in the trade unions, of which there was a great deal in the years 1941-1945.

Having defeated the Communists in most unions

by about 1951 or 1952 and having thus gained control of powerful union positions within the Labor party structure, Santamaria's Catholic Social Movement attempted to gain control of the Labor party in order to implement their version of Catholic social policy. They were narrowly defeated in decisive battles in the Federal Executive in 1954 and in the Federal Conference in 1955. In 1955, they formed the Anti-Communist Labor party in the state of Victoria. Later, merging with similar breakaways in the other states, they changed their name to the Democratic Labor party. They hoped to draw away all Catholics and all anti-Communists and to become the main Labor party but this has not happened. Before the split, the Australian Labor party used to receive about 70 per cent of the Catholic vote. It still gets more than 45 per cent of the votes of Catholics, while the Democratic Labor party draws about 30 per cent of Catholic support, and about 9 per cent of the general Australian vote.

The DLP vote is about the same size as the Country party vote, but Country party strength is highly concentrated in certain rural electorates. Thus the Country party was able to win 20 seats in the 1969 federal election (the Liberals won 46 seats and Labor 59), but the Democratic Labor party did not win a single seat, because its voters are widely scattered throughout many electorates. However, the DLP has achieved a position of great influence over the Liberal-Country party government by its shrewd use of Australia's complicated preferential voting system. By directing its supporters to give their second preference votes to Liberal party candidates in close fought elections, it has been able to deny seats to the ALP, thereby, in its own words, "preventing the disaster of Labor Government controlled from behind the scenes by the Communists," and ensuring the election of Liberals.

In elections to the Australian Senate the proportional representation voting system is used and under these more equitable arrangements the Democratic Labor party has been able to win some seats. In the 60-member Senate (10 senators are elected from each state), it now has five seats and holds the balance of power between the Liberal-Country party government and the Labor party opposition. The government cannot be forced to resign by adverse votes in the Senate since under the British parliamentary system it need only preserve its majority in the lower house (the House of Representatives). Nevertheless the Senate can block all bills except money bills. Using its power in the Senate, the DLP has been able to wring concessions from the government by way of government aid to Catholic schools and by way of toughening up defense and foreign policy stances vis-à-vis Communist governments.

The Communist party of Australia has always been

² *Ibid.*, pp. 184-187.

a negligible electoral force, but during the course of World War II and the immediate years thereafter it won office in most of the important trade unions of the country. It suffered heavy defeat at the hands of the ALP Industrial Groups, but when they were rendered ineffectual by the split in the Labor party, the Communists made a comeback. The influence of the Communists in the Labor party was, ironically, increased by Santamaria's decision to pull out his supporters from the ALP. When the extreme right wing of the Labor party departed, the strength of the left was correspondingly increased. The left is socialist and the extreme left is ideologically akin to the Communists. Left-wing Labor trade union officials join with the Communists in "unity tickets" in union ballots, share union positions of power with them, cooperate in industrial action and vote with them in the Australian Council of Trade Unions in making policy for the labor movement.

COMMUNIST INFLUENCE

However, the shattering of the Communist monolith by de-Stalinization and the bitter conflict between the Chinese Communist leaders and the leaders of the Communist party of the Soviet Union destroyed the unity of the Australian Communist party. First a section broke away to form a Peking-oriented Communist party. It failed to muster significant numbers, but had the support of a few militant union leaders and was able to make itself a great nuisance to the older party. Then the latter, which had always been noted for its subservience to Moscow, fell under the control of Laurence Aarons and Bernard Taft who follow the Italian Communist party's nationalist line and are advocating a predominantly Australian nationalist line. In October, 1971, there was a further break due to discontent among some old-line union leaders who could not swallow the party's increasingly bitter attacks on the Soviet Union. Pat Clancy, leader of the Building Workers' Industrial Union, is now forming the nucleus of a new Soviet-oriented party which will probably grow into the strongest of the three Communist parties.

Although Communist unity has been shattered and total Communist strength has been reduced from about 23,000 members in 1945³ to no more than 5,300 in 1965,⁴ Communist influence is still a significant factor in politics because of the de facto alliance of these Communist elements and left-wing Labor union officials. This alliance has had its effect on ALP policies and could have some influence on the decision-making of a Labor government, should one be returned at this year's election.

The Australian Labor party has a better chance of

winning a majority of seats at the elections for the House of Representatives this year than in any other election since 1961, when the Menzies government scraped home by only two seats. The ALP has been out of office and the Liberal-Country parties have been in power since 1949, when the Labor government, led by its beloved leader, Ben Chifley, was turned out by the voters because of its mild effort to build a socialist economy. Particularly unpopular was its attempt to nationalize the banks. Twenty-three years out of office is a record even for the ALP (the previous record stood at 13 years after the disastrous split on the conscription issue in 1916).

Up to the 1969 election, the main cause of the ALP's lack of success was the image of the party as under Communist influence. The years 1949 to 1969 were the cold war years or the years when Australian troops were fighting alongside Australia's "great and powerful friend," the United States, in Vietnam—the years when Prime Minister Harold Holt coined his deathless phrase: "All the way with L.B.J." Australian voters were very sensitive about Communist influence at home; they fully supported the Americans' efforts to defeat what seemed to them a Communist attempt to conquer Southeast Asia; and they feared that as the dominos fell, all Australia's northern neighbors, including the one next door, Indonesia, would be under aggressive Communist imperialism. This would leave Australia isolated and open to attack as she was in 1942–1943 when the Japanese were threatening to invade. (The Australians' enthusiasm for the American alliance was built on gratitude for the defeat by the Americans of the Japanese invasion fleet in the Battle of the Coral Sea, which they celebrate annually with a high-ranking American officer as guest of honor.)

What gave the ALP the appearance of being friendly to the Communists was the alliance of left-wing Labor party trade union officials with Communist union bosses in the notorious "unity-tickets." These were forbidden by the federal ALP conference, but in Queensland and especially in Victoria the State ALP Executives connived at them, and the Federal Executive, where the left was strong, did nothing to enforce the ban. These facts were well documented and advertised by the Democratic Labor party, the Liberal and Country parties and the press.

POLITICAL LEADERSHIP IN AUSTRALIA

Both major Australian parties have run through a succession of leaders since their "grand old men" left the leadership. Labor's revered Ben Chifley died in June, 1951. The Liberals' Sir Robert Menzies, not loved but accorded great respect and admiration, amounting almost to awe, retired from the leadership in 1966. H. V. Evatt, who succeeded Chifley, and Arthur Calwell, who succeeded Evatt, were both

³ Alastair Davidson, *The Communist Party of Australia* (Stanford: Hoover Institute, 1969), p. 93.

⁴ *Ibid.*, p. 71.

forced out of the ALP leadership because of their failure to lead the party to victory. Their lack of success was due to the fact that the ALP was made to look soft on communism, anti-American and not to be trusted on defense or foreign policy. "Unity tickets" were largely responsible for the unfavorable image, which was not really an accurate picture of the party as a whole. The present leader of the federal parliamentary ALP is Gough Whitlam, who succeeded Calwell in 1967.

Edward Gough (pronounced "Goff") Whitlam, who may be the next Prime Minister of Australia, was born in 1916, the son of a Commonwealth Crown Solicitor, a high ranking lawyer in the public service. His background is atypical for this trade union party. Whitlam became a barrister of the Supreme Court of New South Wales. He had seen service in the Royal Australian Air Force from 1941-1945 and had risen to the rank of flight lieutenant. He was first elected for the safe Labor seat of Werriwa in 1952. The party managers in New South Wales, who were right-wing Labor, probably selected him for his middle class background and his distinguished, well-groomed appearance. He appeared to be leadership material when Australia was becoming, through affluence, more and more middle class, and the Labor party was trying to escape the radical image it had received under the leadership of Chifley. Whitlam rose rapidly in the party because of his ability, and because he stayed close to the right-wing line of the New South Wales State Executive. As leader, he at first continued to strive to persuade the party to intervene in Victoria, where the State Executive openly defied the ban on "unity tickets" and cooperated with the Communists in so-called peace-movements which attacked the "American imperialists and their running dogs," the Liberal-Country party government of Australia. But the left was too strong in the federal organs of the party, and protected its allies in Victoria.

Whitlam persevered, showing great courage, although he was gauche and far from skillful as a political tactician. At one time he openly attacked the Federal Executive, which is about the most powerful group in the party, calling its members "the twelve witless men" because he could not persuade them to his way of thinking. Meanwhile the strength of the Left continued to grow, and the right-wing executive in New South Wales became more and more isolated. Labor appeared to be doomed never to win an election, either because the party was seen to be disunited or because it was seen to be left-wing and pro-Communist. Many leading left-wingers were prominent in great street demonstrations against the war in Vietnam, and leading officials of the Victorian State Executive openly encouraged resistance to the draft and even advised the soldiers in Vietnam to lay down

their arms and refuse to fight. All this helped the L-CP government, which raised the "law and order" cry.

LIBERAL PARTY LEADERSHIP

At this stage, it is appropriate to look at the Liberal party leadership. Harold Holt succeeded Sir Robert Menzies. Under his leadership, in 1966, the Liberal and Country party coalition won its greatest victory since Labor's abject defeat in 1949. The election was won on an appeal for support for the American alliance, the war in Vietnam and the government's defense policy. Holt made much capital out of the Labor party's opposition to the war, its plan to withdraw all conscripts from Vietnam, and its ambivalent attitude towards the American communication bases in Australia and, indeed, towards the American alliance (an ambivalence brought about by the very different attitudes of right-wing and left-wing groups).

In December, 1968, Harold Holt disappeared mysteriously while swimming in the sea off the beach near his home. The Liberals eventually chose John Gorton after the Country party stated its opposition to William McMahon. Gorton's three years as Prime Minister provided much copy for the gossip writers of the press and entertainment for the readers but they were not good for the electoral fortunes of the government. This can be illustrated by the results of the elections for the House of Representatives held on October 25, 1969. The government's big majority of 38 seats (in a House of 123) was reduced to a mere seven-seat margin. This can be attributed partly to the fact that Gorton was outclassed by Whitlam as a television performer. It was partly due to Gorton's open breach with the DLP over defense policy and a seemingly soft line towards the coming of Russian warships to the Indian Ocean just before the election, followed by his hasty stiffening up to hold the DLP vote.

However, the trouble really emanated from more profound causes. Those Liberal-Country party policies which were such handsome winners in 1966—a tough stance against the expansion of Asian communism, victory in Vietnam, confidence in "our great and powerful friend, the United States," a forward defense policy to stop Asian communism in Asia—all were discredited by the march of events. Victory had turned into disguised defeat; the war had soured; and

(Continued on page 165)

Tom Truman taught political science in the University of Queensland for 17 years before coming to the United States as a visiting professor at Wesleyan in 1965. He has been at McMaster University, Hamilton, Ontario, since 1966. His specialty is Australian politics and political parties.

"The federal balance that prevails in Australia today probably cannot be defended as either perfect or permanent. Australians recognize the changing nature of federalism, even as Americans do, and they are not disturbed by it."

Australian Federalism

By RICHARD H. LEACH

Professor of Political Science, Duke University

FEDERALISM IS "A DEVICE for dividing decisions and functions of government."¹ It ordinarily involves two major levels of government, each, at least in democratic societies, assumed to derive its powers directly from the people and therefore to be supreme in the areas of power assigned to it by a constitution. Each level of government insists on the right to act directly on the people within its jurisdiction. The constitution, enforced by judicial action, prevents one level from unduly encroaching on or destroying the others(s). Sovereignty in the classic sense thus has no meaning in federal states; even the people's sovereignty is divided. Federalism is processual; it is thus a dynamic, not a static concept. In operation, it requires a willingness both to cooperate across jurisdictional lines and to exercise restraint in the interests of national harmony. It is surely among the most difficult—and costly—systems of government to operate. Its disadvantages, however, are generally conceded to be outweighed by the additional opportunities for self-government federal systems offer the individual citizen and by the flexibility it gives a nation in terms of program choices.

Like the United States, Australia was probably foreordained to function governmentally under a federal system. Both countries began national life as a number of widely separated colonies, each with a different relation to Great Britain and each independent of its several sister colonies.² Both were set down upon a huge expanse of territory,³ a fact which

prevented a single approach to national development at the outset, the difficulties of transportation and communication alone requiring individual and separate approaches instead. And each was peopled with pretty much the same kind of persons, speaking the same language, observing the same customs, used to the same laws and procedures, so that when the time to federate arrived, there was a good deal of common ground on which to build.

That time came earlier in America than it did in Australia; indeed, it came only a few years after Captain Cook began to explore the east coast of Australia in 1770. Thus America's experience as a federal system was already a century old when the Australian colonies realized it was time to join together, giving Australia an advantage America had never had. Australia was able to profit from observation and study of the American example, whereas the United States had to break the sod of federalism unaided. America's historical development was consequently rougher than Australia's has been (though even in Australia, secession was once almost accomplished: in 1934, Western Australia, never very happy under federation, petitioned the British Parliament to pass an act to enable her to secede from the federation. Parliament, faced with the expressed opposition of the Commonwealth government, refused to act).

In any case, in neither country was federalism adopted because the dictates of some abstract theory of government demanded it. Instead, in both Australia and the United States, federalism was the product of a combination of circumstances which made it inevitable. If theories of Australian federalism—and of American as well—are now being propounded, they came after the fact and not before it. What were the circumstances which finally demanded a federal frame for Australia? The inconvenience of separation was one of them; necessity was another; and sheer logic a third. Thus the Australian historian, Manning Clark, tells us that Earl Grey advised the colonists as early as 1846 to ponder the mounting

¹ Morton Grodzins, "The Federal System," Ch. 12 in *Goals for Americans. The Report of the President's Commission on National Goals* (Englewood Cliffs, N.J.: Prentice-Hall, 1965), p. 265. On federalism generally see also Richard H. Leach, *American Federalism* (New York: W. W. Norton, 1970) and the bibliographic citations in the notes thereof.

² New South Wales, the site of the original settlement of Australia, became a British colony in 1786; Tasmania, the island state, in 1825; Western Australia, in 1829; South Australia, in 1834; Victoria, in 1851; Queensland, in 1859.

³ Australia's total area is 2,967,741 sq. mi., making it almost the size of the continental United States (excluding Alaska) and about half again as large as Europe if the USSR is excluded.

inconvenience of "separate parliaments legislating on such subjects of common interest as railway gauges, posts and telegraphs, quarantine, and customs duties,"⁴ advice the colonists did not heed right away, with the result that three different railway gauges were adopted by the colonies, to the inconvenience of travelers to this day.

Gradually, however, the demands of conducting trade and commerce easily and swiftly became too impelling to resist. So too did the need for a common system of defense force the six colonies to work toward federation. "In 1899," Clark reports, "Major-General Edwards informed the colonial governments that if the colonies [each] had to rely on [its] own defence resources, their position would be dangerous. It was, the Major-General believed, quite impossible to put the [colonial] defence forces on a proper footing without . . . federation."⁵ Not that there was any immediate danger, but isolated as Australia was, and as adventurous as the German and French colonizers were in the Pacific in the latter decades of the nineteenth century, fears for the safety and integrity of the colonies mounted. Finally, it came to be a logical expectation that confederation would eventually take place.

As early as 1863, the premiers of the several colonies had begun to hold intercolonial meetings, at first infrequently and then more and more often, at which the problems of divided economies (intercolonial tariffs had long since come to plague commercial and industrial development in Australia) and defense arrangements, as well as the desirability of positive collaboration to promote immigration and other common interests, were discussed and the alternative of federation was regularly proposed. Under the sponsorship of Henry Parkes, then Premier of New South Wales, an Australian Federal Convention was eventually held in 1891 and the first draft of what was to become in another form the Australian constitution was drawn up. A further convention in 1897-1898 finished the work, and Queen Victoria, in a proclamation dated September 17, 1900 (oddly enough, Constitution Day in the United States!), announced Australia's evolution into a single Commonwealth as of January 1, 1901.

A UNITED AUSTRALIA

Summarizing the developments leading to federation in Australia so succinctly may suggest a certain effortlessness about the whole process. Such a suggestion is wholly incorrect. Manning Clark recounts how for many years proposals for federation

"foundered on the rocks of intercolonial rivalry" and how "the vision of a united Australia was often lost in sordid and petty colonial jealousy and human vanity. . . ."⁶ Over the whole period, almost as strong forces pushed the colonies away from each other as pulled them together; it was not easy to get agreement in either constitutional convention, and like the American document, the Australian constitution reflected many compromises. Nor was it much better received by the people of Australia than the constitution of the United States was by Americans. Whereas the American constitution just squeaked through several state conventions, the Australian constitution received an affirmative vote of barely 40 per cent in five of the six states. So federalism came into less than open arms in both countries and had to win the devotion of the people over the years. It says something about the utility of federalism in both countries that it finally has done so on both sides of the Pacific.

At first, in Australia as in the United States, the new national government was little noticed and the states continued to occupy the center of the governmental stage. As late as 1930, it was still true that the

average citizen look[ed] more frequently to the Government which [sat] in Melbourne or Adelaide than to the Government . . . in Canberra. It was the state government, even then, which protect[ed] him from the wicked, educate[d] him, watch[ed] over his health, develop[ed] roads and railways and water supplies . . . regulate[d] his local trade conditions, inspect[ed] his factory—perform[ed], in short, all those functions which seem[ed] to affect most nearly his economic and social well-being.⁷

A rapid growth of population after federation, the development of industry and commerce now freed from provincial restrictions, and the birth of the welfare state all created new problems requiring new controls, however. And to these pressures for alteration in the balance of federal power were quickly added two world wars and the depression of 1929. The combination of all these resulted in a vast growth of Commonwealth power, paralleling the growth of national power in the United States almost exactly. In postwar Australia, most Australians had come to look to the Commonwealth rather than to the states, even as most Americans had come to look to Washington.

Indeed, as the nation began to plan for its postwar development, it began to seem to some that further and possibly complete centralization was the only proper course for Australia. Prime Minister J. B. Chifley led those who held that point of view, demanding drastic amendment of the constitution in response to what he described as the "need for a wider national outlook and greater Federal control of matters which [affect] the nation as a whole." "We must," he declared, "picture and hope for far wider

⁴ Manning Clark, *A Short History of Australia* (New York: New American Library, 1963), p. 171.

⁵ *Ibid.*

⁶ *Ibid.*, pp. 171-2.

⁷ W. K. Hancock, *Australia* (New York: Scribner's, 1930), p. 76.

powers for the Federal Parliament after the war.”⁸ The Australian people, however, did not agree with Chifley. Whether because they had come to believe profoundly in federalism, or because “they thought the Federal Government was well occupied looking after defense, communications and customs, and such obviously Commonwealth affairs,”⁹ or because of their own inertia, combined with the pressures of “vested interests and the genuine attachment to federalism of minority groups,” they decided in no uncertain terms that the federal system would prevail, and that only details would be changed.¹⁰ Not only did they reject all but one of the many proposals Chifley’s Labor party made to strengthen national power, they subsequently turned Chifley and the Labor party out of office as well.

The issue was set squarely before the people in the campaign of 1949. In the Joint Opposition Policy Statement with which Robert Menzies opened the campaign, the question of federalism was given first place:

We continue to stand for the federal principle, that is, for a division of powers between Commonwealth and States, as distinct from complete centralisation of power at Canberra. We believe that government is most efficiently conducted when Commonwealth, States, and municipalities operate in their own spheres under the control of their own electors. . . . As we believe in the division of power, so we believe that the States must be preserved as real governing bodies and not as the mere dependents of the Commonwealth.

Although other issues were of course involved in the election, the assumption seems to be warranted that a majority of the Australian people agreed with the policy statement and accepted its premises, for the Liberal-Country coalition was victorious and has remained in office ever since. When a new party, the Commonwealth Centre party, established just prior to the 1961 elections, included as a part of its 20-point platform a statement calling for the creation of “a single parliament for the whole of Australia with abolition of state parliaments,” it failed conspicuously at the polls, not winning a single seat anywhere in the Commonwealth. The Australian people, in a word, seem to be committed to federalism. They have rejected the proposition that their nation is too small in population and too poor in resources to support seven virile governments. They have decided instead that their constitution intended “the survival and effective usefulness both of the original communities which . . . united in the federation and of

the new community which their union . . . created”;¹¹ thus they will continue with the dual system with which they started in 1901.

THE IMPORTANCE OF THE STATES

The Australian people may well have reached that decision because of the actual position of power the states occupy in the Australian scheme of government today. For not only is most of the everyday law affecting citizens state, not national, law, the states are also the units on which the national party system is based. Moreover, the states, taken together, are the largest employers of labor in the Commonwealth. More important still, a number of areas of state power under the Australian constitution are central to the nation’s advance in the years ahead.

Internal development is perhaps Australia’s most pressing need, and it is chiefly the responsibility of the states. Education, especially higher education, is another great need, and it too lies chiefly with the states. The list could easily be expanded. And even if initiative and financial support in a number of key program areas have largely shifted to Canberra, the responsibility for solving detailed problems of administration—of converting programs on paper into programs in fact—still rests in large part with the states. The Commonwealth’s function is more to plan and finance than to operate. In addition, the Australian people have come to look to the states to look after the particular interests of their citizens. According to Professor Miller, they have to all intents and purposes charged the states with seeing that their regions hold their own in the race for development and expansion.¹² Finally, the states are important because local government is notoriously weak in Australia and its share of the governmental job is a minor one; the states therefore handle most of the functions that are assigned to local governments in the United States.

None of these reasons for continuing with federalism are likely to diminish in importance in the years to come. As state services and state activities increase, as they have continued to, the states should hold their own, if not actually increase considerably in significance, and so federalism should become even more securely embedded in Australian governmental practice.

The federal “balance” that prevails in Australia today probably cannot be defended as either perfect or permanent. Australians recognize the changing nature of federalism, even as Americans do, and they are not disturbed by it. And they have learned that it is not necessary to count each Commonwealth “gain” or state “loss” on some master scoreboard; instead they know that what is important is that the federal system as a whole should retain its vitality. The prospect that it will do so is very good. Indeed,

⁸ J. B. Chifley, “Reconstruction after the War,” *Public Administration* n.s. 3: 104 (September, 1941).

⁹ An alternative suggested by Colin Wills in his *Australian Passport* (New York: Roy, 1953), p. 107.

¹⁰ “Amending the Constitution,” *Current Affairs Bulletin* 19: 134 (February 25, 1957).

¹¹ Hancock, *op. cit.*, p. 119.

¹² J. D. B. Miller, *Australian Government and Politics* (London: Duckworth, 1954), pp. 100, 142.

it would appear that "for many a year to come, [federalism] will have to be taken account of, shaping and being shaped by personalities, as a democratic people continues to doubt and question, to seek after certainty, for the benefit of Australia."¹³

THE AUSTRALIAN CONSTITUTION

The basis for Australian federalism in practice, of course, is the Australian constitution. As suggested above, the American constitution was studied by the fathers of the Australian federation. The two federal systems thus have a great deal in common. Neither constitution spells out the details of federalism very clearly. But the protected position of the states is obvious in both. Like its counterpart in the United States, the Senate in the Australian Parliament was established partly to enable the less populous states to safeguard their interests by having equal representation (10 Senators each) in the upper house. Unlike the American Senate, however, the Australian Senate in practice has not turned out to be truly an upper house, and so the protection it offers the states is problematical. Similarly, the Australian constitution can be changed only by a majority of the people in four of the six states. In fact, the Australians have been much more reluctant to alter their basic document than the Americans have, only five amendments having been adopted since federation.

Both the Australian and the American constitutions further safeguarded the position of the states by specifically delegating power to the national government and leaving the residue of power ungranted with the states. In the Australian document, however, very few of the national government's powers were granted exclusively; most were left concurrent with state power. Thus, while the national government has a great deal of control over foreign affairs, defense, immigration, customs and excise duties, external trade and commerce, post and telegraph services, coinage and banking, social services, and industrial arbitration beyond the boundaries of a state, the states retain power to act not only in all other areas but in those awarded to the national government if the national government has not acted wholly or at all. Obviously, where a state law is inconsistent with a national law, it is the national law which, if valid, prevails.

The states thus retain, as suggested earlier, very important powers in areas central to the life of the Australian people: powers over education, transport, law enforcement, health services, and agriculture.

¹³ A. J. Davies, "Federal Relations," in R. N. Spann, ed., *Public Administration in Australia* (Sydney: V. C. N. Blight, Gov't Printer, 1958), p. 65.

¹⁴ See on this subject Geoffrey Sawer, *Australian Government Today* (Melbourne: University of Melbourne Press, 1961), pp. 7-19.

¹⁵ See on this point Richard H. Leach, *Interstate Relations in Australia* (Lexington, Ky.: University of Kentucky Press, 1965), pp. 11-18.

And though the High Court of Australia has, like the Supreme Court of the United States, ruled generally to enhance national power at the expense of state power, it has also held to a narrower interpretation of some national powers, so that it is arguable if its rulings *in toto* have strengthened the national government quite as much as the American high court's rulings have strengthened the American national government.¹⁴ The power to regulate "trade and commerce with other countries and among the States," for example, granted along with the other powers to the national government in Section 51 of the Australian constitution, in wording virtually the same as the same grant of power in the United States constitution, has not been interpreted as broadly by the Australian courts. Those courts, in fact, have emphasized that the national Parliament lacks the power to regulate intrastate trade merely because it is closely related to interstate trade, which is accepted doctrine in the United States. Nor does the Australian constitution have a Tenth Amendment, nor a Fourteenth for that matter, so that the courts in Australia lack the possibility of easy recourse to either states' rights or national power support.

These differences are not so much of kind as they are of degree. There are a number of other differences between Australian and American federalism that push the two systems quite far apart. The greatest difference between the two has been alluded to but perhaps not made as clear as it ought to be. In Australia, there is one national government, the governments of six states, and somewhere between 900 and 1,000 local government authorities, for a total of around 1,000. In the United States, the 1967 Census of Governments (the next census will presumably be taken in 1972) showed that there was one national government, 50 state governments, and more than 81,000 more, the latter consisting of a wide variety of counties, municipalities, townships and special districts. The difference this makes in the two federal systems is incalculable. It is likely, indeed, that the national government has come to dominate the governmental stage to as large an extent as it has mainly because of the extreme fragmentation that marks the other half of the governmental equation in the United States. Conversely, the continued and even growing position of the states in Australia is no doubt partially due to the fact that the states are few enough in number so that they can easily "gang up" on Canberra when the need arises.

Because there are so few states, another considerable difference arises: interstate rivalries are more intense, not only between the two dominant states, New South Wales and Victoria, but between those two and the other states.¹⁵ A few statistics will make the gap between the states (and some justification for the rivalries between them) obvious.

| | Area (sq. mi.) | Population* |
|-------------------|----------------|-------------|
| New South Wales | 309,433 | 4,623,900 |
| Victoria | 87,884 | 3,480,800 |
| Queensland | 667,000 | 1,820,000 |
| South Australia | 380,070 | 1,177,800 |
| Western Australia | 975,920 | 1,001,300 |
| Tasmania | 26,215 | 395,600 |

* As of December 31, 1970

It is hard for New South Wales to forget her historical primacy or her present dominance. She considers herself the senior state and, as befits her status, she claims the premier position in the Commonwealth. Her representatives at conferences called by the Commonwealth government always take the seat of honor at the right of the host and are accorded the privilege of speaking first. Those representing Victoria occupy the seat at the host's left, and those from the other states, to their chagrin and irritation, are forced to take seats further down the table. New South Wales and Victoria seem to them to constitute a "big league" from which they are excluded, and they feel their junior status very keenly, especially so since for long they were "claimant states," given a special status in the federal-state financial arrangements. Nor does it appear likely that the situation will be relieved by the addition of any more Australian states in the immediate—or even far distant—future, a possibility converted into reality 37 times after American union, giving rise to an often unnoticed revolution in American federalism.¹⁶ Because of the small number of states and the rivalries and competition among them that date from colonial days, the quality of Australian federalism is different in another way from the quality of American federalism.

GOVERNMENT FINANCING

There is a further major difference. That is in the area of finance. In 1942, it was agreed in Australia that a single, uniform income tax should be levied and collected by the national government, a portion thereof then to be granted back to the states as substitute revenue. Thus there is not the competitive state revenue situation in Australia that there is in the United States, giving rise among other things to demands for "revenue-sharing" and other equalization devices. In any case, ever since federation, the national government in Australia has made a variety of payments to the states.

Before World War II, they were mainly of a marginal character confined to special grants to help the financially

weaker states and to certain specific purpose grants such as those for roads. . . .¹⁷

Since the war, as demands on the states for services mounted, there has been a marked increase in the amount and variety of national help to the states, both for revenue and capital purposes. At present, these grants provide roughly half of state budgetary revenues. On the revenue side, most of the money from the national government is for general purposes, "the States being able to use it for any purposes which they see fit,"¹⁸ quite a different matter from the categorical grant-in-aid program which developed in the United States during the same postwar period.

By now, a formal procedure for making grants to the states has developed. At the at least annual Conferences of Commonwealth and State Ministers—in popular parlance usually shortened to Premiers' Conferences—commonwealth-state financial relations for the next year are always a top priority item of discussion and agreement. The Australian Loan Council, which was created in 1927 and has virtually the same membership as the Premiers' Conference, usually meets in conjunction with the conference to approve the borrowing programs of both national and state governments for the same period of time. These bodies have no counterparts in the United States.

But intergovernmental consultation is characteristic of more than financial arrangements. As a spin-off from the Premiers' Conferences, because of common problems and common interests, supplemental meetings at the ministerial and departmental levels on the model of the Premiers' Conferences have become commonplace in almost every major area of government in Australia. Some meetings—as in agriculture, transport, labor, and health, for example—are commonwealth-state; others, as in education, electricity supply, housing, railways, forestry, and child welfare, to name a few, involve state officials only, though observers from the national government are present at almost all of them and the appropriate commonwealth Cabinet member or his deputy are usually featured speakers. All these conferences and meetings taken together—and there are probably 50 or more of them annually—give Australian federalism a consultative dimension that is wholly lacking in the United States.

(Continued on page 164)

¹⁶ See Richard H. Leach, "The New State Movement in Australia," *The Journal of Commonwealth Political Studies* 3: 20-31 (March, 1965). The possibility of statehood for the Northern Territory cannot be ruled out. Its population as of the end of 1970, however, was only 74,100, and it continues to be so dependent for survival on national subsidy that it is unlikely to be advanced to statehood in the foreseeable future.

¹⁷ *Australian Handbook 1971*. A Publication of the Australian News and Information Bureau, 1971, p. 88.

¹⁸ *Ibid.*, p. 89.

Richard H. Leach is a member of the Commonwealth Studies Group at Duke University. Among other books, he is the author of *Interstate Relations in Australia* (Lexington, Ky.: University Press of Kentucky, 1965), *Contemporary Canada* (Durham: Duke University Press, 1968), *American Federalism* (New York: W.W. Norton, 1970) and, with A.T. Mason, *In Quest of Freedom* (Englewood Cliffs: Prentice-Hall, 1959).

"The major problem that [Australia and New Zealand] . . . face is loss of the special privileges that they enjoyed in the market of Great Britain, as the latter begins its adventure as a member of the European Economic Community. . . ."

Australia Today

BY CHARLES B. HAGAN

Visiting Professor of Political Science, Duke University

THE GEOGRAPHIC STANCE of Australia and New Zealand, the two states with British backgrounds located south and east of the Asian continent, has not removed them from the major problem and the usual minor problems of contemporary Western countries.

Australia occupies a land area equal to that of the United States with a far smaller total population (approximately 12 million). The nation has developed in accord with Western governmental principles and has tried to convert from dependence on sheep to a wider based economy.

New Zealand, further south than Australia and somewhat to her east, occupies two main islands and some smaller ones, with a population approximating three millions.

The major problem that these nations face is loss of the special privileges that they enjoyed in the market of Great Britain, as the latter begins its adventure as a member of the European Economic Community (Common Market), based primarily in Europe and North Africa.

The minor problems are those common to all modern states: the changing mores of youth and women, the conflicting demands of the various sectors of the population on the economic and cultural resources available, and the readjustments that may accompany the changing international relations of the western Pacific.

The issues and problems of international relations are not the primary assignment of this piece. Those are discussed elsewhere in this issue. But it is important to remember that they react upon the politics and social conflicts that are the main burden here.

The two countries are the offspring of British expansion in the late eighteenth and entire nineteenth centuries, but their maturing institutional and cultural arrangements in the twentieth century have undergone other influences with different consequences.

It is often said, and with accuracy, that New Zealand

and is more British than Britain, by which it must mean that New Zealand has sought to maintain the customs and traditions that prevailed in Britain when the migrants left for their new land. New Zealanders still talk of going "home" when they plan to visit Britain, although the shock of Britain's decision to join E.E.C. is beginning to have some effect on this long-standing nostalgia.

In Australia, this feeling for "home" has often and dominantly been subject to other influences. There is in fact a much more distinctive tendency and a much greater desire to be separated from British tradition. Some political institutions are overtly copied from the United States, although they are operated in accord with traditional British Cabinet government. Noteworthy American institutional devices are to be found in the Australian written constitution, in its federalism, judicial review, and the organization of its A.C.T. (Australian Capital Territory). Moreover, since World War II, immigration to Australia from southern and eastern Europe has been encouraged, and some modification has been made in the traditional White Australian administrative policies. Many Australians, in their search abroad for additional training and education, have also visited the United States, benefiting especially in the areas of technology and some of the social sciences. In short, Australia is in American terms "on the make" or, as Australians say, "on the go."

The federal system of Australia unites six states within the Commonwealth to a national government with three territories governed by the national organs. One is, of course, the Capital Territory, and the other two are the Northern Territory and New Guinea with its associated islands.

Governmental authority is divided between the central or national government and the states, but the central government occupies a more important place in the operation of the states than is the case in the United States. In many details there are differences between the intergovernmental situation in the United

States and Australia. One of the major differences is the national government's control of the income tax, with a concomitant policy of grants to the states for various programs. The annual conference of the state premiers and the national government for allocation of funds to the states is an important political event. Here the states discover how much money they will have for the development of their programs. In recent years there have been proposals to allot to the states tax resources that have not previously been available to them. One of the proposals has been to allow the states to tax payrolls. Early in 1971 the new Prime Minister, William McMahon, announced that this action would be taken. This generated a mixed reaction among those who govern the states, for they had to make decisions on problems about which previously they could complain while at the same time averring that their hands were tied.

Contrary to the American pattern of separating or sharing governmental authority among the three branches at each level, the Australian systems concentrate executive and legislative power in the same hands. The Cabinet consists of members of the legislative assemblies. Usually it is composed of a majority coalition of members of the dominant legislative branch. At the national level, the governing coalition since 1949 has been the Liberal and Country parties, and in several states a similar condition exists.

The Australian Labor party (ALP) has been the dominant party in a few states from time to time, but the combination of Liberal and Country parties has often been the dominant grouping. At the present time, the latter combination provides the executive in four of the states. At the state level, the chief executive officer is called the Premier rather than the Prime Minister. Otherwise the main institutional arrangements are the same.

One further generalization may be ventured. The ALP has been split since the mid-1950's, while the Democratic Labor party (DLP) has been a factor of growing importance on the national governing scene. The issue on which the ALP split developed and to a considerable degree continues revolves around the role of Communists and Catholics in the policy-making institutions. In some measure the same split exists in all the states, but it is of prime importance in Victoria, New South Wales and Western Australia.

THE LIBERAL-COUNTRY PARTY COALITION

At the national level, from 1949 until his resignation in 1965, Sir Robert Menzies was Prime Minister. The Liberal-Country party coalition continued in control with Harold Holt as Prime Minister. He drowned in December, 1967, and was succeeded after an intra-party struggle by John Gorton, at that time a member of the Senate. It was unusual for a senator

to be elected to such a post, so it was arranged that Gorton should resign his Senate seat and run for a House seat. Gorton was the nation's executive officer until 1971, when intra-party squabbles led to his resignation as Prime Minister. He was succeeded by William McMahon in March, 1971. In the change, Gorton remained as defense minister. He resigned from that position later in 1971 and became a back bench. It is clear that there are several substantial disagreements within the Liberal party, and the 1972 parliamentary election may reveal more Cabinet changes.

McMahon had been a contender for the Prime Minister's post at the time of the selection of Holt's successor, but he had been vetoed by Sir John McEwen, the leader of the Country party. Since the Liberal party did not hold a majority in the House, it was essential that it have the support of the Country party. The grounds of McEwen's opposition to McMahon are somewhat obscure. Probably they had to do with possible developments in foreign trade policies. McEwen and some of his party were associated with Australian industry in the maintenance of strong protectionist policies. He resigned his position as the leader of the Country party in January, 1971. His successor, J. D. Anthony, has been open to modification of the protectionist policy, a matter that will be discussed below.

There were many complaints about Gorton as Prime Minister. It was alleged that he failed to consult adequately with his associates, that he was brusque and rough in his dealings with the members of his party and with Parliament, and that he made commitments on which he was unable to deliver. From time to time Australian commentators have suggested that he viewed his position as similar to that of the United States President rather than as *primus inter pares*. Whatever may be the fact of the matter, his associates eventually found the situation intolerable, and the Liberal party made it clear that either his practices must change or he must resign as Prime Minister. He chose to give up his executive duties.

McMahon has also generated some intra-party opposition by some of his tough actions. The most notable instance was his insistence that Parliament deliver on a number of pieces of legislation in a very short period just prior to its adjournment in May, 1971. However, he has since gone out of his way to improve relations.

An interesting suggestion with regard to parliamentary practices has been discussed off and on for several years; that is the proposal that the House establish standing committees on legislation. Seemingly, this suggestion stems from American legislative practices wherein the committees are standing, i.e., they are created by the houses as their agents. Ord-

narily, legislation is introduced and referred to these committees, and the houses may not act until the committees report the legislation back to their houses. In this way in the United States the committees become powerful in the legislative process since their actions precede decisions by the houses, and often a committee may prevent action by failure to report bills that have been referred to them. In Australia, such a development would be a striking deviation from the customary practice of the Cabinet system. In that system, the Cabinet is a committee of the chamber, but it is the controlling committee, and its approval of the principle and the main provisions of a bill precede its reference to committee for study and drafting. The committee is instructed to report back, and the substance of the bill is also fixed. There are standing committees in some Cabinet systems, but they are reviewing or study committees, not policy determining groups.

In the maneuvers connected with the withdrawal of Gorton as Prime Minister and the selection of McMahon as his successor, it was suggested that McMahon agree to the use of standing committees. He rejected the suggestion, but he did agree to the appointment of several select committees for review of the budget. It seems clear that he intended to keep the Prime Minister's authority and the Cabinet's role in accordance with previous customs and practices.

This episode has wider bearing than on Australia alone. The Prime Minister and his associates in the Cabinet often are powerful enough to frustrate the wishes of the members of the legislative bodies. It may be that the customs and practices connected with the Cabinet's independence allow for greater executive discretion than is the case with regard to a United States President. He at any rate shares his powers with the legislative body, and the latter has resources to fight back. Of course, Parliament may oust the Cabinet, but usually this does not happen.

In 1969, an Australian, Sir Paul Hasluck, was designated as the new Governor General of the Commonwealth of Australia. He is the representative of Her Majesty in that post, and he is also Queen Elizabeth's personal representative. His other titles are Commander in Chief of the Armed Forces and Head of State. The last title appeared for the first time during the tenure of Governor General Casey (Hasluck's predecessor). Little was made of it at that time, and it is by no means obvious what its implications are.

Hasluck's appointment satisfied Australian nationalist sentiments and solved a problem of future Liberal party leadership, for Hasluck would have been a contender for the Prime Minister's position.

In 1971, for the first time in Australian history, an aborigine was elected to a full term as a member of

the federal Senate. There is some question as to the vigor of his support for the demands of his fellow aborigines.

STATE POLITICAL DEVELOPMENTS

There have not been any striking constitutional developments in the states. There have been changes in the dominant parties in some of the states. In Western Australia, the 12-year rule of a Liberal-Country party coalition ended in February, 1971. The new Cabinet, headed by John Tonkin ALP, had a majority of one in the legislature. The Speaker, a member of the majority, died, and the new Premier, faced with the possible loss of his majority, prorogued the legislative body pending the outcome of the election. Obviously, he pinned his hopes on the outcome of the by-election. At the time of writing, the outcome is not known.

South Australia was governed by a Liberal-Country League coalition from 1933 to 1965. The Premier during the period, Sir Thomas Playford, has been followed by an ALP majority with Don Dunstan as Premier. He and his party remain in control.

Tasmania, the island state, terminated a 35-year rule by an ALP majority in 1969. In that year the Liberal party, with Angus Bethune as Premier, formed a coalition with the Centre party to become the governing group. The coalition with a majority of one has a precarious hold on the governing authority.

Victoria has been governed by a Liberal majority for an extended number of years. The disarray of the Labor parties, which will be described below, seems to foreclose a victory to any party but the Liberals. Sir Henry Bolte is Premier of Victoria. New South Wales has been governed by a Liberal-Country party coalition with Robin Askin as Premier for many years, and Queensland has a Country League-Liberal government, with Bjelke-Peterson as Premier.

In short, the state governments have been stable with little change. They differ in some ways in the legislative structures and in the party proportions, but the variations among them have traditionally been in the degree of wealth. Tasmania and West Australia have been regarded as poor states, and special provisions have been granted them in federal grants. Recent mineral developments in West Australia may change this, but it was for a long time the largest state in area and the smallest in population.

CHANGES IN NEW ZEALAND

Some of the governmental changes that have surfaced in Australia have also surfaced in New Zealand, but they have been in the policy-making areas. New Zealand has the Cabinet system without Australia's federalism. Sir Keith Holyoake has been Prime

Minister for many years. The most recent election continued his party as the governing body.* New Zealand parties have not had the internal difficulties that have caused so much disturbance in Australia. Nonetheless, as will be described below, the impending participation of Great Britain in the European Economic Community will shake the foundations of New Zealand's economy to her very bottoms, for she has been more dependent on the British market than has Australia. Any reader who has followed the discussions of Great Britain's entry into the European organization will know that a major item in the British negotiations has been the protection of New Zealand's special access to the British consumer. The new situation will bring about increased prices for the British consumer as well as the loss of a buyer for New Zealand's magnificent dairy and meat products.

Recent Australian political life has been deeply affected by the persistent split within the Australian Labor party and its consequences in the character of the opposing political combinations that often have emerged as the governing Cabinet coalitions. The ALP is likely to poll more votes than its competitors but it does not always attain a majority. The Australian electoral system does not follow the United States practice of giving victory to the candidate with the most votes.

Australia requires her qualified electors to vote in a proportional electoral system. The voter ranks his choices among the candidates and, since many do not receive a majority, the choices are effective counters in the determination of the winning candidate. The choices of the voters become extremely important in the party negotiations prior to the election. The scheme allows the voter to express his first party choice along with preferences among the other candidates. It is often known beforehand that a candidate cannot achieve the majority, and so negotiations are on for the other choices. Under this arrangement, the Liberal party and the Country party can run candidates in the same district and more or less certainly determine the outcome by the agreements on choices. It is also possible that the parties may agree not to run competing candidates in some districts. One consequence of this arrangement is to give a minority party a means of influencing the larger parties.

The split in the labor vote in the 1950's stemmed from a division in organized labor on the way to meet the challenge of the Communist unions. Many unions have been and still are controlled by Communists or by members sympathetic to Communist policies. That has especially been the situation in Victoria. Although Victoria is not one of the large states in geographic terms, it is large in the population

concentrated in Melbourne, and it has a highly developed agriculture. With the increase in immigration from eastern and southern Europe, there has come a substantial rise in the number of Catholics. Often they have been fleeing communism in eastern Europe.

This combination, which has contributed to the potentialities of cleavage, has been especially marked in Victoria. The segments opposing the Communists have formed the Democratic Labor Party. (It is usually denied that there is a Catholic link.) This group has had effective leadership in B. A. Santamaria, who is associated with an organization called the National Civic Council. The DLP has gained enough support in the elections to reduce the ALP to a minority. In this context, the DLP usually negotiates the ranking of its voters' choices with the Liberal party, and the outcome has often been a victory in legislative elections for the Liberal party and its ally, the Country party. The DLP leadership gains some voice in the policy decisions of the Liberal and Country party Cabinets. The DLP has a few members in Parliament with added impact via the route described.

In Victoria, the consequences have been continued friction among those associated with the ALP. The effectiveness of the Communist leadership in some of the unions has carried over into the Victorian Labor party. For many years, the national leader of the Victorian ALP was Arthur Calwell, who was also the ALP leader (of the minority) in the national Parliament. Calwell refused to forego the support of the Communist-led unions, with the result that the disintegrating influence spread into national circles. The National Conference of the party, composed of representatives from the state bodies, tended to operate by compromise and temporizing, for the representatives from the six states were unable to overcome the cleavages. In 1967, Arthur Calwell resigned as national parliamentary leader and was succeeded by Gough Whitlam of New South Wales. The contest for leadership was bitter, and the underlying struggles still rise to the surface from time to time. However, Whitlam and many of his associates are interested in becoming the national governing party, and this route involves additional bitter fights.

The ALP established a national office in Canberra in 1963, but it was closed in 1969. The Party's national conference made a finding that the Victorian party was dominated by the Trade Union Defence Committee (the vote was 9-8), and the party executive committee was ousted in early 1971. The dominant, i.e., ousted, group in Victoria regained control soon thereafter. The national goals of the party are still caught up in the conflicts for control. The New South Wales branch of the party was reorganized to some degree also. The national conference has been restructured (1969) to include, in addition to the

* Ed. Note: Holyoake resigned February 2, 1972, to be succeeded by John R. Marshall.

traditional six members from each state, the ALP leaders in the two houses of the national Parliament and the leaders of the party in the respective states. It is not clear that a new leadership with a set of different goals has yet emerged, but certainly there are members who aspire to national leadership in their lifetimes.

OPPOSING PARTIES

The cleavages in the Liberal party are not as deep as those in the ALP, but the strong feelings and actions associated with the resignation of Gorton from the leadership position and the elimination of some of McMahon's opposition through appointment to other posts hint at underlying difficulties. The Liberal party has now been the dominant party for nearly a quarter of a century at the national level, and that is a long time. In part its continuity surely is attributable to its opponents.

The Country party is not an opposition party in the usual sense, for it has been an associate in the governing team for many years, both at the state and the national levels. The leaders of this party have deliberately chosen to maintain an existence independent of the Liberal party on the theory that it was thus in a better position to achieve its goals. As its title suggests, the party's main concerns have their roots in rural problems and issues. That centering of attention has not prevented it from becoming associated with manufacturing and protection-minded interests. In view of some contemporary developments, the Country party may have a limited future unless there is a substantial change in the focus of its interests. Its new leader, J. D. Anthony (who succeeded McEwen in early 1971), has intimated that he is likely to develop somewhat different programs.

There are other small parties that pretend to operate in Australia, but the three described dominate the political scene and seem likely to continue in their roles.

New Zealand has some of the same party problems, but the context is so calm and unruffled when compared with the Australian situation that there is little to report. The recent elections manifest the same distribution of voters and the same solid base of support for Prime Minister Holyoake and his associates.

THE COMMON MARKET DECISION

The great shifts in recent years and in the immediate future are in the economic sphere. Both Australia and New Zealand have been members of the British Commonwealth and have benefited from the protected market for their raw materials—especially agricultural produce. New Zealand butter, cheese and lamb had a sure outlet in highly urbanized Britain. Australia likewise sold her lamb and mutton, her wool, her beef and her fruits, both fresh and

canned, in the same market. In return, these countries received manufactured materials, shipping, credit and culture. Both countries have sought other outlets for their products, and both the United States and Japan have benefited from the expanded trade. Meat products, especially, have been shipped to the United States.

The decision of Great Britain to seek admission to the Common Market obviously had serious implications for these countries, probably more serious for New Zealand than for Australia. Admission to the E.E.C. carries restrictions on the admission of the agricultural products to the British market, for members of E.E.C. also wish to continue their highly protected agricultural industries. The admission of Great Britain was complicated by the need to make some adjustment for New Zealand. Her representatives have participated in the British negotiations, and now that the decision has been made, it will be necessary to make the adjustments. The withdrawal of Britain from her farflung empire has more than defensive implications, although those are serious too.

The arrangements call for some time, to make the adjustments for New Zealand, but that country will need to find other outlets or substantially revise the character of its economy. Tourism has been and will be expanded. Some efforts will be made to develop local industries, but the path will be hard.

The Australian situation is more complex and the opportunities are wider. It seems clear that changes will have to come with regard to both sheep and wool. Wool may be marketed to the Common Market countries, but synthetics compete with wool. Efforts will be and are being made to modify the type of sheep to emphasize the meat output. Even with such prospects, it is evident that many of those who lived on the back of the sheep will need to find other sources of livelihood.

Wheat also has been a major product of Australia in recent years. Markets have been found for the increased output in Japan and especially in the U.S.S.R. and mainland China. But competition from other parts of the world reduces future prospects. Outputs will have to be restricted to share with other nations in the available markets, a minus for the agricultural side of the nation's traditional agriculture.

Sugar has been an internationally controlled commodity for many years. The Colonial Sugar Com-

(Continued on page 167)

Charles B. Hagan is on leave from the University of Houston, where he is Professor of Political Science. He lectured in Southeast Asia in December, 1969-January, 1970, for the United States Department of State as a specialist in American government. He has visited Ceylon, India, Nepal, Pakistan and Afghanistan.

BOOK REVIEWS

SPEECHES AND DOCUMENTS ON NEW ZEALAND HISTORY. EDITED BY W. DAVID MCINTYRE AND W. J. GARDNER. (New York: Oxford University Press, 1971. 489 pages, appendix and index, \$19.25.)

A collection of excerpts from 194 speeches and documents, this volume is designed for the student of New Zealand history. As the editors point out, three distinctive themes run through the volume: the failure of the socialist experiment in New Zealand and the subsequent adoption of "a pragmatic pursuit of the mixed economy and the welfare state"; the problem of the Maori adjustment to the European settlers; the development of New Zealand as a British parliamentary democracy. The documents are presented chronologically, with a minimum of editorial comment. Eight historical maps and seven tables of social, political and economic data add to the usefulness of this text.

O.E.S.

AUSTRALIA. HISTORY AND HORIZONS. BY RODERICK CAMERON. (New York: Columbia University Press, 1971. 288 pages, illustrations and index, \$14.95.)

It would be hard to imagine a better introduction to a far-away land than this beautifully illustrated and well-written description of Australia. The book is at the same time a travelogue, an art book, and a history, beginning in the seventeenth century and taking the reader to the present. Dramatic descriptions of the settling of Australia, the new environment, the flora and fauna—combine with some 175 black and white illustrations and 32 pages of color. The engravings, paintings and photographs were chosen by the author from museums, national archives and private collections. An entire chapter is devoted to Australian painters and the Heidelberg School. The reader will have to search elsewhere for scholarly information about Australia, but this volume may well kindle his interest in that little known country and its problems.

O.E.S.

THE EISENHOWER ADMINISTRATION 1953–1961. A DOCUMENTARY HISTORY. 2 volumes. EDITED BY ROBERT L. BRANYAN AND LAWRENCE H. LARSEN. (New York: Random House, 1972. 1414 pages, appendix, bibliographical essay and index, \$55.00.)

This is the first comprehensive use of the Eisenhower presidential papers: more than 400 documents have been selected by the editors from more than 15 million documents now available to scholars at the Dwight Eisenhower Library at Abilene, Kansas. The 2-volume work includes major presidential pronouncements, Cabinet meeting records, confidential reports, private memos and personal letters. The historical record covers the Korean War, McCarthyism, the St. Lawrence Seaway question, the U-2 incident, the Hungarian, Suez and Lebanon crises, and the growing involvement of the United States in Vietnam. Material from the so-called *Pentagon Papers* is set in historical perspective.

The editors, professors of history at the University of Missouri, offer illuminating comments that help the reader to trace the continuing thread of the 1950's. The editors note in their preface that they are not attempting to advance any particular thesis. "Perhaps what does emerge is that the President was cautious, composed, patient, and, above all, careful not to abuse his vast power. Perhaps, in retrospect, Eisenhower's easy-going confidence and live-and-let-live nature, plus his instinct for accommodation, proved well suited to the nuclear age." In this election year Americans may well ponder this comment.

O.E.S.

A PICTURE HISTORY OF EASTERN EUROPE. BY ELLSWORTH RAYMOND AND JOHN STUART MARTIN. (New York: Crown Publishers, 1971. 374 pages, index, \$12.50.)

This is a skillfully and attractively prepared volume on Eastern Europe. The handsome illustrations are lucidly explained by the two authors. I can think of no finer introduction to the subject for pre-college students.

A.Z.R.

A CONCISE HISTORY OF ITALY. BY PETER GUNN. (New York: Viking Press, 1972. 224 pages, illustrations and index, \$10.)

Another in Viking's series of concise histories, this is an illustrated one-volume text that traces the history of Italy from the collapse of the Roman Empire to its reconstruction in the era after World War II. More than 200 illustrations add interest to the text.

O.E.S.

(Continued on page 169)

CURRENT DOCUMENTS

Communique of the ANZUS Council's Twenty-First Meeting

At the conclusion of the twenty-first meeting of the Council of ANZUS (Australia, New Zealand, United States Security Treaty), in New York on October 2, 1971, the following communique was issued:

The ANZUS Council met in New York on October 2, 1971. Australia was represented by the Honorable Nigel H. Bowen, Minister for Foreign Affairs, New Zealand by the Honorable R. D. Muldoon, Minister of Finance, and the United States by the Honorable William P. Rogers, Secretary of State.

The three ANZUS partners concentrated their discussion on the changes which are occurring in Asia and the Pacific, particularly the effects of the Nixon Doctrine, China's growing interest in contacts with other countries and the importance of Japan, both politically and economically, to the stability and welfare of the region.

The Representatives recognized the encouragement and support Japan is giving to economic development and regional understanding and agreed that Japan can make a major contribution to welfare and stability in the region. They welcomed the intention which has been expressed by Japan, one of the world's leading industrial nations, to assume a proportionately greater role in international cooperation for development. The Australian and New Zealand Representatives affirmed the importance for the stability of Asia and the Pacific of a continuing close partnership and confidence between the U.S. and Japan, a view which was warmly endorsed by the U.S. Representative.

The Representatives, recognizing the importance of China in East Asia, welcomed the evidence of growing contacts between the People's Republic of China and the ANZUS countries, and they shared the view that improved relations with the People's Republic of China are possible, given flexibility and understanding on both sides. . . .

The political and military situation in Indochina was reviewed. The Representatives noted with satisfaction that the Republic of Vietnam and its armed forces have, during the past year, assumed increasing responsibility for the defense of their country, and have accepted that the gains made in the pacification field must be continued and maintained primarily through their own efforts. The progress made in this

regard by the Republic of Vietnam had made it possible for the countries contributing troops in Vietnam to carry out phased withdrawals of their combat forces while continuing training and economic support.

The Representatives expressed admiration for the resilience displayed by Cambodia in resisting the aggression from the north and indicated the desires of their respective Governments to continue to give effective support to the Cambodians' own efforts.

The Representatives expressed the hope that the continuing contacts between the Laotian parties will lead to a genuine and just peace that will assure the independence, integrity and neutrality of the Kingdom of Laos.

The political and strategic importance of the Indian Ocean was reviewed and the current level of the Soviet naval presence was discussed. The Representatives noted the concerns which had been voiced by a number of States bordering on the Indian Ocean and they expressed the hope that military competition in the area could be avoided. They agreed, however, that a careful watch should be continued in this area.

The ANZUS partners also considered encouraging developments in the Pacific. The New Zealand Representative referred to the progress in regional cooperation made at the recent meeting in Wellington of the South Pacific Forum, composed of independent and self-governing States in the South Pacific. The U.S. Representative reported that within a few days discussions would begin between the U.S. and representatives of the Congress of Micronesia on the future status of the U.S. Trust Territory of the Pacific Islands.

The meeting was the 21st annual consultation among the ANZUS partners. This period has seen striking improvement in the stability and economies of Asia and the Pacific. The three Representatives agreed that, in the new climate which is developing in international relations, continuing close consultations within the Alliance will be of particular value.

AUSTRALIAN FOREIGN POLICY

(Continued from page 132)

But in Australian perspective this was all predicated on the continuing major involvement of the United States in the defense problems of the Asia-Pacific region, and predicated as well upon the demonstrated ability of the United States to continue to support its commitments.

President Johnson's announcements of March, 1968, were the first shocks that cast great doubt on these assumptions. They were followed a year later by President Richard Nixon's announcement of his Guam Doctrine—in which great emphasis was put on the need for Asia-Pacific nations to exercise self-reliance and to assume far larger shares of the burden of their security requirements. This in turn was followed, in 1971, by the President's decision, without any prior consultation with Australia, to visit China, and that decision clearly signalled the strong possibility of a major and profound reversal of direction in United States foreign policy in Asia. Against this background it has become unalterably clear to Australians that the security situation in which they now find themselves is entirely unprecedented in Australian history.

The major new element is that Australia can no longer comfortably regard herself as a *consumer* of security provided essentially by others. That concept—of security consumer—was valid as long as Australians played the role of good ally to a great and powerful friend, and as long as the great and powerful friend remained capable and interested. But with one patron gone and the commitment of the other in doubt, the concept itself is in danger of bankruptcy—and that realization is now widely evident in Australia.

DILEMMA IN SOUTHEAST ASIA

The practical consequences are found in a lack of direction in Australian policy, and nowhere is this clearer than in Australia's policy toward Southeast Asia. Singapore and Malaysia are the particular focus of the dilemma, which stems from Australia's long historical connections and defense obligations to these Commonwealth states.⁸ Reflecting that history, the Commonwealth nations sought to establish a "five-nation" defense structure that might substitute for Britain's departure. Indeed, in 1968–1969 there were high hopes for these "arrangements," and statements

by American officials suggested strong Washington interest as well. Today, however, the so-called "five-nation" arrangement is meaningless; as Singapore's Defense Minister said recently to this writer, "the five-nation arrangement is a farce—it is worthless."⁹

The reason for that judgment lies primarily in the indecisiveness of Australian behavior. Indeed, the recent foreign policy record of Australia has been so uncertain that Australia has appeared incapable of filling the new role expected of her—for example, by Britain, Singapore and Malaysia, and to a lesser extent by the United States as well. This was starkly illustrated in June, 1969, when the five Commonwealth nations convened in Canberra—hopefully to develop a viable defense structure after Britain's withdrawal.

These hopes were dashed, however, when John Gorton, then Australia's Prime Minister, sought to emphasize the restrictions on any Australian defense guarantees. In particular, he stressed that Australia's obligations extended not to "Malaysia," but to "Malaya"—a term that is much narrower geographically and which was decidedly offensive to the Malaysians. But it remained for the head of the Singapore delegation—Prime Minister Lee Kwan Yew—to characterize Australian behavior in a way that continues to sting in Canberra (though the remark officially was attributed only to a "Singapore source"):

... while Britain remained in the Far East, Australia had always been in the role of the deputy sheriff.

But now that Australia had accepted the sheriff's badge, she was showing that she did not know how to draw a six-gun.¹⁰

More than two years later, this remains the core of the Australian dilemma: how to play a role for which there is no experience and preparation and about which many leading Australians increasingly have doubts. The doubts, however, are not altogether new, for there has long been a strand in Australian thinking identified as "Fortress Australia" and sometimes as "Little Australia." Put bluntly, it has meant a reliance on one's own resources, a disdain for alliances and the abandonment of Australia's traditional concepts of "forward defense," under which the nation's forces were deployed far from home and in support of a major ally.

As long as Australia's allies were both capable and credible, this thesis had little support, but in the wake of President Nixon's Guam Doctrine and the premature retirement of President Johnson over the issue of the United States Asia policy, the "Fortress Australia" argument soon gained credibility. This tension between two such different policies contributed significantly to the vacillation which so strongly marked the foreign policy of former Prime Minister John Gorton:

Whether he likes the term or not, Mr. Gorton was basi-

⁸ Australian forces participated in the Malayan "Emergency" in the mid-1950's, acted again in support of Kuala Lumpur in the *Konfrontasi*, and since 1957 have been closely connected with the security planning for Singapore, Malaysia and the Malacca Strait region in arrangements known as "ANZAM."

⁹ From my conversations in Singapore and Kuala Lumpur, June, 1971.

¹⁰ Reported in the *Canberra Times*, June 21, 1969.

cally in favor of a "Fortress Australia" policy of having mobile ground forces stationed in Australia rather than on the Asian mainland . . . one cannot escape the thought that John Gorton has not abandoned entirely his original opposition to having land forces on the Asian mainland—that he thinks the less we are committed to, the easier it will be to get out someday.¹¹

In 1972, although Gorton is no longer Prime Minister, Australia is effectively "out" of the Asian mainland—out of Vietnam and, in any significant sense, out of Singapore and Malaysia as well. Some air and naval forces remain in the latter areas, but little reliance is placed on their presence by Malaysian Prime Minister Tun Razak and Singapore Premier Lee, because Australia's "presence" is marked by such uncertainty and reluctance. The central reason for that reluctance, of course, is the nagging fear among Australians—in the absence of some firm United States guarantee—that they will be left alone on a limb in the region.

There is no evidence that sufficiently persuasive United States guarantees have been extended to Canberra, and one distressing consequence is that a much-hoped-for American goal—of some form of regional defense cooperation among Southeast Asian and Pacific states—will suffer as a result. For without the technological, industrial and military stiffening that might have been provided by Australia, defense "arrangements" among such weak states as Malaysia and Indonesia (and possibly Singapore) are not likely to be impressive.

But an even more distressing consequence stands in the wings: that Australia, like Japan, will increasingly be tempted to build a foreign and defense policy around what the Japanese choose to call the concept of "autonomous defense." This is a euphemism for major self-reliance in defense policy and, as Japanese Prime Minister Sato has sometimes conceded, its logical extension leads in the direction of a nuclear weapons capability. For Australia, not much less than for Japan, a nuclear weapons capacity is technologically and economically feasible, and now that Australia has decided¹² finally to take possession of her 24 F-111C fighter-bombers, she will soon have an impressive nuclear weapons delivery capacity as well.

There are many respected Australians urging just such a course, and although they are by no means yet decisive, it should be recognized that both in Tokyo and Canberra the nuclear option definitely is being kept wide open. It is no coincidence, after all, that Australia and Japan—both of whom have signed the Nuclear Non-Proliferation Treaty—are in the forefront of nuclear-capable nations which steadfastly refuse so far to ratify the agreement.

¹¹ Alan Barnes, *The Age* (Melbourne) June 24, 1969. The comment is by a highly informed reporter, and is typical of many.

¹² *The New York Times*, December 17, 1971.

AUSTRALIAN SOCIETY

(Continued from page 137)

conscious male society. But in a full-employment economy in which women constitute one-third of the labor force, the removal of differential male-female pay scales has, with growing success, been sought by the trade union movement itself. There is also some evidence from recent opinion surveys that the public is willing to accept a financial burden to underwrite expensive environmental improvement programs, such as the reduction of polluting motor vehicle emissions.

The historically conditioned outlook of the Australian public continues to affect political style and policy direction. But newer concerns and values are developing. The popular characterization of the Australian mentality by the often heard expression, "She'll be right, mate," or, "Never mind, it will all work itself out," seems more and more a caricature.

AUSTRALIAN FEDERALISM

(Continued from page 155)

Nor is consultation and discussion the only manifestation of intergovernmental cooperation in Australia. The nation's major river system, the Murray and its tributaries, is under the River Murray Commission, which consists of a commissioner from the national government and from the states of Victoria, New South Wales, and South Australia. And perhaps the world's greatest engineering project, the Snowy Mountain Scheme, which will supply power for industry and water for agriculture, involves a large degree of intergovernmentalism at nearly every stage. There is no exact counterpart of either in the United States. In addition, a greater amount of administrative cooperation takes place in Australia than in the United States, as the natural result of a small number of professional civil servants meeting and solving problems regardless of political boundary lines. Finally, there is a strong uniform law movement in Australia, even as there is in the United States.

THE ISSUE OF FEDERALISM

Two other differences between the Australian and American federal systems might be mentioned. Something has already been said about political parties and Australian federalism. But it needs to be emphasized that while American political parties by and large fail to make federalism an issue, in Australia the Australian Labor party has consistently been pro-national power and anti-state. From its beginning, it has been committed to the eventual abolition of the states and has been consistent in its preference for commonwealth action. In recent years, because of the growing opposition of a number of state units of

the party to the idea, the ALP has been somewhat less vocal about the idea. There is no indication it has been wholly abandoned, however, and the consequences for federalism in Australia of its accession to power might be profound.

Some mention ought also to be made of the more central role which state courts play in the life of Australian law than do their American counterparts. The commonwealth Parliament could have created a complete set of national courts, as the first Congress of the United States did in the Judiciary Act of 1789; instead, it has chosen to permit state courts to exercise considerable jurisdiction in federal matters.

THE FUTURE OF FEDERALISM

It has already been asserted that the likelihood is great that Australia will continue into the indefinite future as a federal state. Obviously, the future of Australian federalism is hard to predict with any precision. There are a great many variables to take into account; there is a certain dearth of information on which to draw; and no one can say for sure what external circumstances will prevail. A number of generalizations can be made even so.

The future of Australian federalism depends first of all on the satisfaction the Australian people feel in its performance. To date, the Australians have seemed happy with the federal choice, though they have not spoken directly to the question in recent elections. What happens to federalism in the future also depends on what happens in the politics of the nation as a whole—on what kind of leadership the nation and the states receive; on how programs in national and state custody are administered; and how future courts read the sometimes murky provisions of the Australian constitution. Finally, whether federalism survives is hinged closely to the survival of democratic government in Australia. There is no doubt that the main effect of federalism in operation is to divide and restrain power, which in a democratic system seems proper and even desirable. A non-democratic perspective would make federalism's main rationalization seem weak indeed. As Supreme Court Justice Louis D. Brandeis once remarked, "thank God for the limitations inherent in [the] federal system. . . . Conflict between federal and state authorities means 'vibrations of power,' and this, Hamilton said, is the genius of democratic government."¹⁹

As long as the federal system helps make these vibrations possible in Australia, as in the United States, free government in the two countries is secure—and so is federalism itself. "To put it another way," Representative Joe L. Evins of Tennessee once observed,

¹⁹ Quoted in A. T. Mason, "Must We Continue the States' Rights Debate?" *Rutgers Law Review* 18: 75 (Fall, 1963).

²⁰ Joe L. Evins, *Understanding Congress* (New York: Potter, 1963), p. 286.

"our forefathers"—and he could as well have been speaking of Australian as American forefathers—"were more interested in guaranteeing the preservation of individual liberty and freedom than in efficiency in government." Federalism appealed to them as a device by which the meaning in practice of freedom and liberty might be enhanced.²⁰ There is no sign that that appeal has diminished. As long as it does not, the future of federalism in both countries would seem to be secure.

PARTY POLITICS IN AUSTRALIA

(Continued from page 150)

confidence in the United States as a dependable ally had been replaced by uncertainty. All this resulted from the revulsion against the war in the United States, President Lyndon Johnson's forced withdrawal from the 1968 presidential race, and Richard Nixon's promise to withdraw all American ground forces—which in turn caused the Australian government to follow suit.

Fortune smiled on the Australian Labor party, and President Nixon had become, ironically, its chief benefactor. History had contrived to make Labor's opposition to the use of Australian troops in Vietnam and in Asia generally seem to be the right policy after all. The voters were not to know that it was not Labor's foresightedness and wisdom which had initiated the policy but simply a compromise between the right wing's support for the American alliance and the left wing's ideological sympathy for the Vietcong and the Hanoi regime. It was not so much that the voters approved Labor's positions on foreign policy and defense but rather that these issues were no longer attractive or salient. With these issues out of the way, the voters were willing to look at the domestic scene and the state of Australia's social services which the Liberal-Country parties, not greatly fearing the Labor party, had allowed to deteriorate. Gough Whitlam, with the taste of victory in his mouth, put on superlative performances in his television appearances and placed before the voters an attractive program which included a national plan to end poverty, comprehensive health insurance, generous pension rises (Gorton's niggardly 50-cent increase in the weekly old age pension rate was used very effectively against him), and emergency grants to schools.

Probably the greatest single factor favoring Labor was the fact that the party presented to the nation a very unusual image of unity and loyal and vigorous support of its leader. In their natural desire for a change from a discredited government, the voters were not inhibited from turning to the ALP.

Gough Whitlam had been persuaded, perhaps by some of his older left-wing colleagues who were

anxious to get their hands on ministerial power and to enjoy the fruits of office before they were disqualified by age, to stop fighting with the left and thus to cease displaying Labor's divisions to the public gaze. While this amounted to a virtual surrender to the left, there was not much else an aspiring politician could do, since the left was too strong to be defeated and within sight of ruling the whole party and especially since the public seemed no longer interested in the DLP's charges of Communist influence.

After the elections were over, the ALP added more window-dressing. Pressured by the same old left-wing politicians hungry for office, the Federal Executive intervened in Victoria, where there was a quarrel between left-wingers who were trying to win Catholic votes and more doctrinaire (or more principled) left-wingers who would not budge in their resistance to government aid for Catholic schools. A few of the more intransigent members of the Victorian Executive were replaced by more amenable left-wingers. As the price for agreeing to intervention in Victoria, other left-wingers exacted a promise that the right-wing executive in New South Wales would be forced to agree to share its power with men of the left. So all in all, the left made big gains. Ironically, the Victorian intransigents who were displaced scrambled back on to the Executive in a later election.

FURTHER BENEFITS FOR THE ALP

President Nixon conferred further benefits on the ALP by making the Australian government look ridiculous when he did an abrupt about-face in his attitude to Communist China without warning the Australians in advance. The ALP had insisted since 1955 that Australia should recognize the Peking regime and support its admission to the United Nations, whereas the Liberal-Country party government had been careful to keep in step with Washington. It had never been a service to the Australian government to press it into supporting the retention of Taiwan's seat against the wishes of the majority of nations. Similarly, the ten per cent surcharge on imports and the forcing of Japan to revalue the yen very steeply (thus hitting at Australia's best customer for minerals, wool and meat) created new difficulties for the Australian government and caused some doubt about how friendly "our great and powerful friend" really was.

After John Gorton repeated his lackluster performance in the Senate elections of November, 1970 (the most notable result being an upsurge of the DLP vote presumably because DLP disgust with the Americans for weakening in the fight against communism and its insistence on doubling the defense budget fitted in with the mood of some voters), the Liberal party became increasingly critical of Gorton's tendency to provoke conflict within the party ranks

and among the leaders of his own party in the state government. The showdown came when the Defense Minister, Malcolm Fraser, resigned in protest because he alleged that the Prime Minister was dealing directly with the Chief of the Army behind his back. Gorton was deposed in a 33 to 33 tie vote, which he broke by casting a vote against himself.

Crises in the Liberal party ranks are usually concerned with leadership, whereas Labor's splits and diversions arise from ideological or policy disputes.

The Liberals chose as their leader William McMahon, who then became Prime Minister. The energetic and athletic "Billy" McMahon was born in 1908 into a well-to-do family. Before entering Parliament in 1949 he had seen five years of service with the army in World War II and after demobilization had become a wealthy solicitor in Sydney. He was appointed to the ministry in 1951 and has had 20 years of experience as a minister.

He really distinguished himself at the Treasury and at least some of the credit for the skillful management of Australia's booming economy over the last five years or so must be given to him. He has been noted for hard work, and he became the best informed man in the ministry because he studied carefully not only his own portfolio but also those of other ministers, no doubt in calculated preparation for the prime ministership. Although not particularly eloquent and without the gift of wit, McMahon always commanded respect for his contributions to parliamentary debates, and for his careful check on departmental budgets. He has shown shrewd political judgment and is likely to prove a much more formidable opponent than John Gorton was for Gough Whitlam. However, a Gallup Poll in October, 1971, showed that only 35 per cent of the Australian people thought McMahon was doing a good job as head of the government, compared with 37 per cent the month before. John Gorton's ratings had never reached that low level. Even Gough Whitlam who, as opposition leader, could not be expected to poll as well as the Prime Minister who is more in the news, received a 38 per cent vote for doing his job well.

Employment, of course, is going to be the main issue in the election, with inflation a strong second. It is hard to foresee the shape of the economy at election time. But if Labor is elected the last vestiges of the forward defense posture will go. There will be no five-nation (United Kingdom, Australia, New Zealand, Singapore and Malaysia) contribution from Australia. There will be no training in Vietnam of Cambodian soldiers by Australians. Of course the Australians will all be withdrawn from Vietnam and there will be difficulties over the American communications bases in Australia. Nonetheless, there will be no drastic change in foreign policy or defense.

AUSTRALIA TODAY

(Continued from page 160)

pany of Australia has participated via the government in such controls. The present productive capacity may not be expanded without running into restrictions.

AUSTRALIA AND JAPAN

The expanding population has absorbed much of the increased output, and a rising standard of living as well as changing habits have permitted the economy to expand. One of the most striking developments since World War II has been the opening of the raw minerals industries in Australia and the linkage that has developed with Japan. This development has contributed to the enormous increase in economic activity in Australia, but the recent impact (1971) of inflation and a decline in economic activity have produced the same results that have occurred elsewhere in the world. Nevertheless, the broad outlines of an economic future can be delineated.

Japan's population has leveled off in recent years, but her economy has expanded rapidly in the past quarter of a century. Japan now has one of the major economies of the world, trailing the United States and the Soviet Union. This enormous expansion in a wide range of highly skilled and sophisticated technologies has increased Japan's needs for raw materials. Australia and other parts of the world have furnished these.

The large deposits of iron ores in Western Australia and almost a full range of mineral ores in Queensland have led to intense economic activity in building transportation facilities, the development of ports, and all the associated business activities which have stimulated a boom in the nation's economy. Mining and manufacturing have greatly increased. These outputs along with the agricultural outputs have complemented the needs of the Japanese economy. Both nations have encouraged these developments. In considerable measure, Japan has the potential to provide a replacement for the loss of British markets. The technological needs of Australian development have been met in part by Japanese skills. The United States has not been absent in these developments.

Australia's rapidly expanding economy has generated many of the problems that appear in other places. Mention may be made here of the domestic controversies on the need for better and more adequate legislation to protect investors and participants in the business ventures. Better financial markets and proper controls to assure participants that they are protected from the unscrupulous promoter have been asked for, but thus far the legislation has not been forthcoming. The Australian federal system

has generated a question as to whether this is a state or national matter, and the controversy at this time is unresolved.

In 1970, Australia showed signs of the kind of inflation that has puzzled more established industrial economies: rising prices and rising unemployment at the same time. It may be added that no better solution has been found by Australia than has been found in the United States.

A few other economic items may be listed. Nearing completion is the Snowy River irrigation project involving the generation of electricity and the transfer of water across the Great Divide to the Murray and Murrumbidgee river system. Electrical power has been available for several years, but the final touches of the project are scheduled for 1972. The engineering staff that was developed for the project has been incorporated as the Snowy Mountain Engineering Corporation and is being used in other parts of the continent for engineering of other programs.

There is talk and some activity in the development of the north. The Ord River undertaking is still controversial but activity is under way.

There have been real estate booms in most of the large cities, and there are wide-ranging and serious discussions on rural reconstruction. The latter link the decline in agriculture with the developments in the large urban centers. Tourism still receives its share of talk, but the shortage of adequate hotels remains. In short, Australia has many of the signs of a highly developed economy. Finally, the status of wage arbitration has been challenged, but no substitute policy has been developed.

MODERN SOCIAL PROBLEMS

Australia has all the earmarks of a modern society as well. Women's liberation, birth control, child care centers, the right of abortion, pension increases, student uprisings, and objections to the military draft—all of these have appeared and become routine parts of life.

Now the Sydney Opera House is finally promised for completion in 1972 or 1973. The proposal for this famous edifice first appeared on the stage of cultural life in 1957. Several lotteries and architectural controversies later, the magnificent buildings on the harbor are really looking like the beautiful pictures of many years ago. It must be added, however, that no arrangements have yet been made for parking.

AUSTRALIAN-JAPANESE RELATIONS

(Continued from page 142)

punch holes into the doctrine of White Australia. No matter what glosses the Japanese might devise to quiet Hughes' fears, Hughes would have none of it. In the end he both lost and won, for the vote was

favorable to the Japanese request, but Woodrow Wilson ruled the motion defeated because it was not unanimous! To salve the Japanese wounds, Wilson had to make concessions to Japan in East Asia which later became a burden on his conscience.

A fascinating by-blow of the Australian experience with Japan during World War I and its immediate aftermath was the establishment of a professorship in Japanese history and language at the University of Sydney, funded by the federal government. The professorship was established because it was realized that there was nobody then resident in Australia who could read and speak Japanese or had an understanding of Japanese affairs. The Australian government's information reached it from the British Embassy in Tokyo via the Foreign Office in London. Shortly after the war, the Australian government sent a representative to Japan on an information-hunting expedition but he had to approach the Japanese government through the British Embassy and he did not speak or read Japanese. While the professorship was a step in the right direction, it appears to have had little impact in the era between the wars on the government, on the academic community, or on the general public mind by way of "enlightenment and understanding" of Japan and the Japanese.

Having affronted the Japanese at Paris, in 1921 Hughes turned around and "played on their side." At the 1921 Imperial Conference the question of the renewal of the Anglo-Japanese alliance arose. The Canadians, assuming that the British placed Anglo-American friendship high on their agenda, argued a position favorable to the United States contention that the alliance should be dropped because it could place the British against the Americans in any difficulties, including war, between Japan and the United States. Countering this position, Hughes argued that the cancellation of the alliance was too high a price to pay for American friendship, however desirable it might be, and insisted that it was indispensable to Australia's security that Britain remain in alliance with Japan and thus in a position to "moderate" any Japanese expansionist moves, especially southward.

In the end, all this became so much wind in the imperial council-chambers, for the Americans, with some direction from Britain, arranged the Washington Conference of 1921-1922 at which Pacific Ocean affairs were ordered in a manner that made any special tie between Britain and Japan unnecessary. In effect, Japan was put in a position to become the dominant power in the western Pacific, and the United States, pivoted on Pearl Harbor, in the eastern Pacific, the balance to be maintained by the Washington treaties. The balance in actuality was extremely precarious, only maintained by mutual forbearance, observance of paper promises, and regard for League of Nations' pronouncements. The Japanese decided

to upset the balance and by the 1930's Japan was to elect to try to turn her paper dominance into reality by armed force, leading to the Pacific war which broke out at the end of 1941.

Although in accordance with the new conception of the international role of British dominions (first given expression at the Peace Conference at Paris in 1919), Australia was a direct participant in the Washington Conference, the resulting agreements and treaties failed to give her as keen a sense of security as Hughes had derived from the alliance between Japan and Britain. Britain tried to bolster her position in the East and the Pacific by "Singapore," but with a feverish intermittence that was disquieting and was not always related in the assessor's minds to the decline of her power, not least in Asia. Britain's prestige in Japan decreased fairly visibly over the same years. Relations between Japan and the United States remained uneasy.

As the Japanese became more and more aggressive abroad, Australian disquiet increased, and it was worry about Australia's security, occasioned by Japanese actions, that led to the historic public debate in the 1930's about a foreign policy for Australia as a Pacific Basin nation. Yet when Japan moved in Manchuria in 1932, a significant segment of Australian opinion was favorable to the move on the grounds that an overcrowded nation like Japan, poor in resources, *had* to expand and where more logically than onto the continent of Asia. By 1935, with Japan out of the League but in possession of the mandated islands, the Australians, terribly uneasy, were still hopeful that the Japanese would concentrate on the Asian mainland, even at the expense of the Chinese. The question nonetheless arose, "What if Japan turned southward?" However, the Australians had no direct part in the diplomacy of the situation, although their interests were involved. They did have a stake in trade, but in those days of the Great Depression, trade was both enigmatic and difficult.

In the Japanese-Australian case, trade difficulties came to a head in 1936, when the Australian government attempted to reorder Australian trade with Japan to the benefit of its chief trading partner, the United Kingdom. This alienated the Japanese who, in retaliation, reduced wool purchases, the core of the trade, to absolutely minimum amounts. Nor was Japan conciliated when Australia made sure that the export of pig-iron from her furnaces would continue in the face of trade union objections, for at about the same time Australia denied the Japanese access to the then newly discovered iron ore deposits in Western Australia. The Australians were increasingly disquieted as Japanese activities in China reflected a mounting disregard or hostility to British interests.

All in all, by 1937 the Australians were in a fairly desperate mood. From this time can be dated their

slow move toward the United States, though up to early 1941 they still hoped that British diplomacy could save the situation to Australia's advantage. As we know, Britain could not; by the end of 1941, Australia and Japan were at war; and shortly thereafter the Japanese were installed in New Britain (New Guinea) and the Solomons. The Australians became partners of the Americans in the war against Japan.

WORLD WAR II

The coming of war with Japan was in a way a confirmation of the Australian suspicions of Japan which had begun to find expression as far back as the Sino-Japanese War of 1894. They had never quite died out at any time since, in spite of British-Japanese collaboration. The Australians reacted with extraordinary bitterness against the Japanese, with far greater bitterness than the Americans did, in my opinion. This extreme bitterness carried through the war and into the time of peace that followed. The Australians played a conspicuous role in the war-crimes trials that followed the war, not only in their own military courts, but also in the International Military Tribunal for the Far East, of which an Australian judge, Sir William Webb, was chairman.

The Australians sought a punitive peace for the Japanese, particularly emphasizing three points: (1) that the Japanese must be deprived of their war-making industrial power and the control of industry must be taken from the hands of the old governors; (2) that Japan must be forbidden by law from building up by any means armed forces capable of aggression beyond her frontiers—and particularly against Australia; and (3) that the fullest reparations must be received from Japan. They were also anxious to pull down the Emperor.

On the question of the punitive peace the political parties were in essential agreement: the conservatives felt as strongly about the matter as the Laborites. Thus when in 1949 a conservative coalition replaced Labor in office in the federal government, the situation remained unfavorable to accepting the consequences of the American policy drift, of shifting from regarding Japan as the enemy to regarding Japan as the ally against the Communist forces which had triumphed in China. Nevertheless the conservative Australian government eventually accepted the carefully calculated moderation of the peace treaty negotiated on the initiative of the Truman administration, largely on the realistic ground that Australia could not for her own part hope to negotiate anything better. The Labor party opposed the United States-sponsored treaty in Parliament to the end.

One of the American grounds for the peace treaty was the proposition that Japan had to be put into a position to "make her own living," which, of course, involved her return to international trade. It is the

working out of this proposition in the 20 years since the treaty came into force which has turned Australian-Japanese relations around. Anybody seeking to understand why Japan and Australia today are so busily engaged in elaborating an ever closer relationship can find no better key to the apparent enigma.

In largest measure this great change has come about since the middle 1950's and is thus not yet two decades old. But since it is an on-going affair, and involves wool, minerals (including uranium), food-stuffs (meats, wheat and so on) capital investments, factory developments, Japanese investment in Australian real estate, and exchanges of students, technicians, scientists, scholars, it is of basic importance to both sides. However, it is an inherently unequal association, far more significant in its direct and indirect impact on Australia than on Japan. And its international political implications are, to say the least, foggy, if only because Japan's international political stance is currently undefined and is currently subject to strong pressures for redefinition in a more expansive shape. One of the outstanding enigmas of the Asian-Pacific situation is what role Australia and Japan can hope to play, singly, jointly, or in collaboration with other powers, in the ultimate quieting of that profoundly agitated part of the world.

BOOKS CONCLUDED

(Continued from page 161)

INDIA AND CHINA, STUDIES IN COMPARATIVE DEVELOPMENT. BY KUAN-I CHEN AND JOGINDAR S. UPPAL. (New York: Free Press, 1971. 404 pages, notes and references, \$9.95.)

With India and Communist China so much in the news in recent months, it is fortunate to find a comparative study of the development of these two most populous nations in the world; together they contain about one-third of the human race within their bounds. India has been and is developing within a democratic framework, while China has changed and is moving forward under Mao's brand of socialism. The age-old and traditional customs of both countries are being reshaped and the effectiveness of the changes are being observed with interest by the rest of the world.

The authors have collected some 33 articles by various authors to cover their theme of comparative development in all its aspects, social, economic and military. They have laced the text liberally with charts, graphs and tables which help the reader understand the complete picture. The book is highly technical but fills a unique place in a library because it is a rare, one-volume source of comparison between India and China.

O.E.S.

THE MONTH IN REVIEW

A CURRENT HISTORY chronology covering the most important events of January, 1972, to provide a day-by-day summary of world affairs.

INTERNATIONAL

Disarmament

Jan. 11—In the 110th session of the SALT talks, U.S. and Soviet negotiators are unable to reach agreement on the limiting of submarine-based missiles.

European Economic Community (Common Market)

(See also *Norway*)

Jan. 14—Norway and the European Common Market countries reach agreement on the protection of Norwegian fisheries, and Ireland agrees to a quota to be applied to her sugar producers by the market.

Jan. 22—As millions of Europeans watch on television, representatives of the 6 old E.E.C. countries, France, West Germany, the Netherlands, Italy, Luxembourg and Belgium, and the 4 new members, Britain, Ireland, Norway and Denmark, sign the Treaty of Brussels which enlarges the Common Market from 6 to 10. The agreement must still be ratified by the British House of Commons, while referendums will be held in Denmark, Ireland and Norway to approve the signing.

Federation of Arab Republics

Jan. 1—The new flag of the Federation of Arab Republics is raised today in similar ceremonies in Egypt, Libya and Syria.

Middle East Crisis

(See also *Egypt; Israel*)

Jan. 2—The Cairo newspaper *Al Akhbar* reports that Yasir Arafat, the Palestinian commando leader, left January 1 for Tripoli for talks with Libyan Premier Muammar el-Qaddafi, after meeting in Cairo with Egyptian President Anwar Sadat.

Jan. 28—In an interview today, Premier Golda Meir of Israel states that Israel is ready to resume negotiations with the Arab states under the auspices of Gunnar V. Jarring, the U.N. special envoy.

Monetary Crisis

Jan. 2—Nearly \$3 billion of Special Drawing Rights is distributed to its members by the International Monetary Fund. The U.S. receives \$710 million of the so-called "paper gold."

Organization of Petroleum Exporting Countries

Jan. 20—An agreement which goes into effect immediately is signed in Geneva between the major Western oil companies and the 6 producing nations in the Persian Gulf; the agreement calls for an 8.49 per cent increase in the posted price of oil. This price determines the royalties and taxes to be paid.

United Nations

Jan. 11—The Security Council agrees to hold a special session in Africa between January 20 and February 20. This will be the first Security Council session held in Africa and the first held abroad since 1952.

Jan. 12—Rudolph A. Peterson is appointed head of the U.N. Development Program to succeed Paul G. Hoffman. Peterson is head of the U.S. Bank of America.

In a memorandum, sent to 20 department heads, U.N. Secretary General Kurt Waldheim initiates an economy program designed to save the U.N. \$6 million, largely in staff salaries.

Jan. 20—Waldheim appeals to U.N. members for an advance of some \$20 million to help tide the organization over a shortage of funds expected by the end of March, 1972.

Jan. 22—The United Nations Educational, Scientific and Cultural Organization (UNESCO) announces that it will break off contacts with other international organizations, such as Rotary International and the International Chamber of Commerce, that have affiliates or operations in South Africa, Rhodesia and Portuguese Africa.

Jan. 28—The meeting of the U.N. Security Council opens in Addis Ababa, Ethiopia. The session is to be devoted to African problems.

War in Indochina

(See also *U.S., Foreign Policy*)

Jan. 1—The U.S. command reports that American planes made over 200 strikes today against North Vietnamese supply lines in Cambodia and Laos.

Jan. 4—The Laotian Defense Ministry reports that North Vietnamese forces have destroyed a bridge on the only road between Vientiane and the capital city of Luang Prabang.

Jan. 6—In the first Paris talks held in a month, the Vietcong delegate, Nguyen Van Tien, says the

U.S. must withdraw its forces from South Vietnam and stop backing the Nguyen Van Thieu regime in order to obtain the release of American prisoners of war.

Jan. 12—2,400 Cambodian troops desert their post near Krek and flee into South Vietnam.

The Saigon command reports that enemy shelling and ground attacks have reached their highest level since October, 1971.

Jan. 15—The United States phases out 2,580 more men.

Jan. 17—U.S. B-52's and fighter-bombers fly more than 200 strikes against North Vietnamese supply routes and depots in Laos.

Jan. 18—A U.S. spokesman says that two North Vietnamese MIG's fired missiles at U.S. fighter-bombers in Laos, while U.S. warplanes again made 250 strikes against North Vietnamese supply routes and troop concentrations over a wide area of Laos.

Jan. 19—The U.S. and Laotian governments report that the supposedly secret military base at Long Tieng (maintained by the C.I.A.) has been put out of effective action by the North Vietnamese offensives in that area.

Jan. 20—South Vietnamese sources report that more than 10,000 troops have begun operations 45 miles north of Saigon to disrupt any North Vietnamese offensive near the capital.

Jan. 24—After a month-long lull in the fighting, Cambodian forces are again engaged with the North Vietnamese near Peak Sbai, 12½ miles east of Phnompenh.

Jan. 27—The South Vietnamese command reports that new fighting has flared in the Central Highlands near the juncture of Laos, Cambodia and South Vietnam.

Jan. 31—The North Vietnamese delegation to the Paris peace talks makes public a 9-point peace plan it submitted to the U.S. secretly last June. The fundamental differences between the two sides still remain.

The U.S. command reports the heaviest B-52 bomber raids in 4 months against North Vietnamese forces near the Laotian border, in South Vietnam.

Warsaw Pact

Jan. 26—At the conclusion of a 2-day meeting, delegates representing Warsaw Pact countries issue a communiqué calling for the reduction of forces in Europe by European nations as well as foreign powers.

AUSTRALIA

(See also *Bangladesh*)

Jan. 25—Prime Minister William McMahon announces that the government will provide an initial

fund of \$5.95 million and an additional annual allotment of \$2.38 million to acquire privately-owned land on aboriginal reserves for lease to aborigines.

BANGLADESH

(See also *Pakistan*; *U.S.S.R.*)

Jan. 10—Sheik Mujibur Rahman returns to Dacca.

Jan. 12—Mujibur becomes Prime Minister and names a Cabinet.

Poland and Mongolia bring to 6 the number of states that have recognized Bangladesh.

Jan. 17—Mujibur orders all guerrilla fighters to surrender their arms to the government.

Jan. 24—The U.S.S.R. recognizes Bangladesh.

Jan. 30—Reuters reports from Canberra that the governments of Australia and New Zealand have recognized the government of Bangladesh.

CANADA

Jan. 11—Statistics Canada, the government's statistical agency, reports that the unemployment rate has declined for the third consecutive month; it is now 6.2 per cent of the labor force.

Jan. 17—An air traffic controllers strike closes the nation's 116 airports to all but emergency flights.

Jan. 27—Air traffic controllers and the government agree to submit the dispute that has caused an 11-day strike to binding arbitration.

CHILE

Jan. 3—The Kennecott Copper Corporation asks the Chilean government to pay the first installment, \$5.8 million, of a total of \$92.9 million in notes held by the corporation in the expropriated El Teniente copper mine.

Jan. 7—Defying a congressional vote suspending Interior Minister Jose Toha Gonzales, President Salvador Allende Gossens swears Toha in as Defense Minister. Allende declares that the congressional vote "violated the letter and the law of the Constitution."

Jan. 16—In two by-elections, the united anti-Marxist opposition defeats Allende's left-wing coalition.

Jan. 19—Alfonzo Inostraza, president of Chile's Central Bank, flies to New York to discuss Chile's \$3-billion debt to the United States and West Europe with 44 private U.S. banks.

Jan. 26—In Santiago, a top-level Soviet economic mission arrives to discuss development of an aid program; Foreign Minister Clodomiro Almeyda says the U.S.S.R. has already agreed in principle to extend to Chile \$50 million in hard currency credit.

Jan. 28—Allende reorganizes his Cabinet without making any change in its political composition.

CHINA, PEOPLE'S REPUBLIC OF (Communist)

- Jan. 1—*Hsinhua*, the government's press agency, reports a gain of "about 10 per cent" in the value of industrial and agricultural output for 1971. Steel production is said to have risen 18 per cent above the 1970 figure, to 21 million metric tons.
- Jan. 7—The U.S. Atomic Energy Commission reports that China set off its 12th known nuclear test explosion in the atmosphere today.
- Jan. 11—The Peking radio announces the death from cancer of Chen Yi, Deputy Premier and Foreign Minister.
- Jan. 20—*Hsinhua* reports the appointment of Chi Pengfei as Foreign Minister, succeeding Chen Yi. Chi was Acting Foreign Minister during Chen's long illness.

COLOMBIA

- Jan. 22—It is reported from Bogota that on January 8, the Castro-oriented National Liberation Army attacked the town of San Pablo; on January 16, the National Liberation Army split into smaller terrorist groups and attacked other northeastern towns.

CZECHOSLOVAKIA

(See also *Germany, East*)

- Jan. 10—It is reported from Athens that in the last weeks of 1971 there were two major series of political arrests, totaling several hundred people, in Czechoslovakia. *C.T.K.*, the official press agency, announces that "several" citizens were arrested, reportedly on December 25 and 26.

DENMARK

(See also *Intl, E.E.C.*)

- Jan. 14—King Frederik IX dies at 72.
- Jan. 15—Princess Margrethe is proclaimed Queen by Premier Jens Otto Krag.

EGYPT

(See also *Intl, Middle East Crisis*)

- Jan. 1—In a report to the People's Assembly, Premier Mahmoud Fawzi reveals that the government has cut back its projects to reclaim land using water from the Aswan High Dam.
- Jan. 2—The official Middle East News Agency reports that the 20-year ban on books about Israel has been lifted by Egypt, so that Egyptians can "learn about their enemy."
- Jan. 16—Aziz Sidky is named by President Anwar Sadat as Premier, replacing Mahmoud Fawzi. Fawzi is named Second Vice President.
- Jan. 22—The Cairo newspaper *Al Ahram* says Sadat will not renew a decree of 1962 putting the late President Gamal Abdel Nasser's political opponents

into "political isolation" for 10 years. The decree expired on January 16, 1972.

- Jan. 23—Sidky submits an austerity program to the People's Assembly; economic mobilization aims at "total confrontation" with Israel, he declares.

FINLAND

- Jan. 4—Complete returns from the general parliamentary elections show that the Social Democrats, the agrarian Centrists, the Liberals and the Swedish People's party—the old ruling coalition—still hold the 108 of 200 parliamentary seats they held before the election. The Communist-ruled Finnish People's Democratic League becomes the nation's second largest party, winning 37 seats.

GERMANY, DEMOCRATIC REPUBLIC OF (East)

- Jan. 14—Unrestricted travel to Czechoslovakia is permitted by the government as it opens its borders to travelers with normal identification papers.

GERMANY, FEDERAL REPUBLIC OF (West)

- Jan. 10—The 6 plants of the Volkswagen Auto Company resume production after a 1-week shutdown which was caused by diminished demand for Volkswagens.
- Jan. 26—After a Cabinet meeting, Minister of Economics and Finance Karl Schiller reveals that the government is going to release more than 10 billion marks which have been held by the government for 2 years as an anti-inflationary device.

GHANA

- Jan. 13—Lieutenant Colonel I. K. Acheampong leads a group of army officers who oust Prime Minister Kofi A. Busia, dissolve Parliament and withdraw the constitution. The coup d'etat is staged while Busia is in London for reasons of health.
- Jan. 15—The government imprisons 3 alleged plotters charged with attempting to reinstate Busia; among those jailed is Lieutenant General A. A. Afrifa.
- Jan. 17—Acheampong pledges that "as soon as circumstances permit" elections will be held in Ghana; meanwhile, a National Redemption Council comprised of military and police officers is ruling the nation.
- Jan. 21—In London, ousted Prime Minister Busia, who devalued Ghana's currency by 44 per cent last month, declares that Ghana is bankrupt and charges that the military seized power because they lost some privileges under his austerity program.

INDIA

- Jan. 7—An official announcement in New Delhi reveals that India and North Vietnam have raised

their diplomatic missions from a consular to an ambassadorial level; the move is interpreted by observers in New Delhi as a rebuke to the U.S. for its pro-Pakistan policy in the recent war.

Jan. 20—Prime Minister Indira Gandhi inaugurates 3 new states and 2 union territories in the north-eastern region, which now has 7 separate political entities.

IRAN

Jan. 4—Iran's chief delegate to the U.N. tells U.N. officials that Iraq has created a "dangerous situation" by expelling more than 60,000 Iranians from Iraq in the past 3 months in reprisal for Iran's seizure of 3 Gulf islands.

IRELAND

(See *Intl, E.E.C.*)

ISRAEL

(See also *Intl, Middle East Crisis*)

Jan. 17—A record \$4.03-billion budget for the fiscal year that begins April 1 is approved by the Cabinet; some 40 per cent is marked for military purposes.

ITALY

Jan. 15—Premier Emilio Colombo's government resigns; the Cabinet becomes a caretaker Cabinet at President Giovanni Leone's request.

Jan. 21—Leone asks Colombo to try to form another center-left coalition government. The Republican party's decision to withdraw support from the 4-party coalition government led to Colombo's resignation. Other members of the coalition are the Christian Democrats, the Socialists and the Social Democrats.

JAPAN

Jan. 7—In a joint statement at the close of a 2-day meeting, Premier Eisaku Sato and U.S. President Richard Nixon announce that Okinawa will be returned to Japan on May 15, 1972; nuclear weapons will be removed from the island before it is returned.

Jan. 12—The Cabinet approves a new budget allowing for increased military spending and broader social services. An increase in the rate of economic growth to 7.7 per cent after allowing for inflation is expected to result from the expansion-minded budget.

Jan. 14—The International Trade and Industry Ministry reports that in 1971 Japan's exports were \$25,273,702,000 and her imports were \$18,626,582,000. There was a 21.6 per cent increase in the sale of automobiles shipped to the U.S. and a 78.3 per cent rise in steel shipments to China.

Jan. 24—Foreign Minister Takeo Fukuda discloses

plans for the exchanging of visits of the heads of government of Japan and the U.S.S.R. soon.

Jan. 29—In his annual state of the nation address to Parliament, Premier Eisaku Sato says that the U.S. is Japan's most important ally.

LEBANON

Jan. 1—A government communiqué reveals that last night Palestinian guerrillas fought security forces in the worst clash in almost 2 years.

Jan. 15—President Saeb Salam announces that the armed forces have been ordered to resist any Israeli attack against Lebanon.

Jan. 18—Salam discloses that France has agreed to supply arms to Lebanon; the Soviet Union and Belgium have already agreed to do so as part of a 6-year plan for modernization of Lebanon's army.

LIBERIA

Jan. 3—William R. Tolbert, Jr., is sworn in as the nation's 19th President. Mrs. Richard Nixon attends the ceremonies.

MALTA

Jan. 4—The British Defense Minister discloses that Malta's Prime Minister Dom Mintoff has refused to allow the U.S. Sixth Fleet to use facilities on Malta.

Jan. 15—Prime Minister Dom Mintoff agrees to continue negotiations with the British about the withdrawal of all British forces from Malta; the deadline previously set for the troop withdrawal has been lifted.

Jan. 29—Talks between Britain and Malta adjourn abruptly; no date is set for another meeting.

NORWAY

(See also *Intl, E.E.C.*)

Jan. 19—Premier Trygve Bratteli tells a news conference that Fishery Minister Knut Hoem has refused to sign Norway's accession treaties to the European Economic Community because, Hoem declares, the Community has not given Norway's fishermen a legally binding assurance that it will respect Norway's 12-mile limit after 1982. Yesterday the fishermen's union rejected the fisheries protocol.

PAKISTAN

(See also *Bangladesh*)

Jan. 2—President Zulfikar Ali Bhutto, in a brief speech to the nation, lists 10 industries that will be nationalized. No foreign investment is to be affected.

Jan. 3—Bhutto says he plans to release Sheik Mujibur Rahman "unconditionally."

Jan. 8—Mujib is freed and arrives in London.

United Press International reports from Karachi

that former President Agha Mohammad Yahya Khan and former army chief of staff General Abdul Hamid Khan have been placed under house arrest.

Jan. 16—The government takes over 11 more industrial companies; management of 31 companies has been assumed by the government since Bhutto took office.

Jan. 22—Bhutto declares that local elections will be held March 15 and that provincial assemblies elected in December, 1970, will meet March 23. Martial law will continue.

Jan. 24—Bhutto says no new categories of industries will be nationalized and asks industry to cooperate in rebuilding the economy.

Jan. 30—Bhutto announces that Pakistan is withdrawing from the Commonwealth; he has been advised that Australia, New Zealand and Britain plan to recognize Bangladesh.

PORTUGAL

Jan. 16—The government makes public a proposed law which would designate Angola and Mozambique as states to give them greater autonomy "without affecting the unity of the nation."

RHODESIA

Jan. 11—A 15-man commission headed by Lord Pearce arrives in Salisbury to canvass Rhodesians on the acceptability of the terms of the independence settlement negotiated between Rhodesia and Great Britain. The terms of the settlement provide very limited opportunities for social and political advancement of Rhodesia's blacks.

Jan. 15—Prime Minister Ian D. Smith agrees to meet with black members of Parliament to discuss the terms of the projected British-Rhodesian settlement.

Jan. 22—A newly formed group, the African National Council, reiterates its opposition to the Smith regime and the proposed settlement terms.

SYRIA

Jan. 5—A government spokesman discloses that Syria is easing trade restrictions against Jordan; the border has been closed since July as a protest against Jordan's suppression of the Palestinian guerrillas.

U.S.S.R.

Jan. 4—The government newspaper *Izvestia* announces the completion of the world's first large commercial fast breeder reactor, which will produce more nuclear fuel than it consumes.

Jan. 22—*Tass*, the official press agency, announces the launching of the first in a series of 20 container-ships planned during the 1971-1975 five-year plan, to expand the Soviet merchant marine.

Jan. 24—Communist party leader Leonid I. Brezh-

nev and Premier Aleksei N. Kosygin fly to Prague to meet with East European leaders.

It is announced in Moscow and in Dacca that the U.S.S.R. has recognized Bangladesh.

Jan. 26—A spokesman for the American Iron and Steel Institute reports that in 1971 the U.S.S.R. produced more steel than the U.S., becoming the largest steel producing nation in the world.

Jan. 27—At the close of a visit by Soviet Minister Andrei A. Gromyko to Japan, a joint communiqué announces that the U.S.S.R. and Japan will begin negotiations "within this year" on a peace treaty; the 2 nations have formally been at war since the U.S.S.R. seized the Kurile Islands in the closing days of World War II.

UNITED KINGDOM

(See also *Intl. E.E.C.; Rhodesia*)

Great Britain

Jan. 1—The government announces the most extensive anti-pollution program in British history, suggesting that over a 5-year period 9 water authorities be authorized to spend \$3.8 billion in public funds to clear more than 2,000 seriously polluted rivers.

Jan. 9—Approximately 280,000 coal miners strike; this is the first national coal miners strike in 46 years. The miners are demanding pay increases of up to 47 per cent; the National Coal Board has offered them just under 8 per cent.

Jan. 13—The Department of Trade and Industry reveals that Britain showed a record \$767-million surplus of exports over imports in 1971, not including figures on earnings from tourism, banking, insurance and shipping, which are expected to boost the surplus to almost \$2.5 billion.

Northern Ireland

Jan. 30—When rioting breaks out in a march held despite a ban on parades, British troops fire into the crowd and kill 13 persons. Fifteen civilians and 3 soldiers are wounded.

Jan. 31—British Home Secretary Reginald Maudling orders an independent inquiry into the killing of 13 civilians in Londonderry yesterday.

UNITED STATES

Civil Rights

Jan. 10—Federal District Judge Robert R. Merhige, Jr., orders the public schools of Richmond, Va., and those of two suburban counties to merge into one metropolitan unit before September, 1972, to redress racial imbalance.

Jan. 11—The federal district court in Washington, D. C., advises the Treasury Department that henceforth fraternal organizations that exclude Negroes are not to be granted tax exemptions. Private

nonprofit clubs such as country clubs are not affected by the ruling.

Jan. 12—For the first time, there are more black pupils attending all-Negro schools in the North than there are in the South, according to a survey by the Department of Health, Education and Welfare.

Jan. 19—Following similar recent decisions in California, Texas and Minnesota, New Jersey State Superior Court Judge Theodore I. Botter rules that New Jersey's financing of public school education through local property taxes is unconstitutional.

Jan. 26—The Reverend Daniel J. Berrigan is granted parole from federal prison nine months before the expiration of his three-year sentence for burning draft records at Catonsville, Md., in 1968.

Economy

(See also *Government*)

Jan. 7—The Labor Department reports that 6.1 per cent of the labor force was unemployed in December, 1971, up .1 of 1 per cent from November.

Jan. 25—The United States imported more than it exported in 1971, according to the Commerce Department. This is the first United States trade deficit since 1888.

Foreign Policy

Jan. 5—The State Department reveals that the United States entered into an agreement with Bahrain on December 23 to establish a permanent naval base on the island of Bahrain in the Persian Gulf.

Jan. 6—President Richard M. Nixon and Premier Eisaku Sato of Japan begin two days of meetings at San Clemente, California.

Jan. 7—Charles W. Bray, 3d, State Department spokesman, rebukes India for raising her relations with North Vietnam to the ambassadorial level and says this action prejudices India's neutral role on the International Control Commission in Southeast Asia.

Jan. 13—President Nixon says 70,000 more United States troops will be withdrawn from Vietnam and that by May 1 the authorized American force there will be 69,000 men.

Jan. 19—President Nixon says that foreign countries that expropriate private American holdings without adequate compensation can assume that the United States will refuse to make any new aid agreements with them.

Jan. 24—Kurt Waldheim, United Nations Secretary General, is assured of "full support" of the United Nations by the United States in the course of a meeting with President Nixon in Washington, D. C.

Jan. 25—President Nixon reveals that secret negotiations with the North Vietnamese have gone on

for 30 months without success. He offers an eight-point Vietnam peace proposal. He advocates a cease-fire, the withdrawal of all United States and allied forces from South Vietnam within six months of North Vietnam's acceptance, and a political solution for South Vietnam involving new elections run by an "independent body" including the National Liberation Front. South Vietnam President Nguyen Van Thieu would resign a month before such an election. "Release of all military men and innocent civilians captured throughout Indochina" would be related to the United States troop withdrawal.

Government

Jan. 4—The Food and Drug Administration announces that it is starting its first over-all review of the more than 100,000 non-prescription drugs on the market, from the standpoint of safety and efficacy.

The Peace Corps initiates plans to cut its 8,000-member volunteer force in half because of a shortage of funds. Programs in as many as 15 countries may be cancelled.

Jan. 5—The Pay Board disallows a wage contract settlement, providing for a 12 per cent increase for aerospace industry workers.

Jan. 6—The Pay Board directs a voluntary renegotiation of the aerospace industry wage contract and indicates that an 8.3 per cent wage increase is the most it will allow.

Jan. 8—The Cost of Living Council announces that the United States Postal Service is exempted from price controls.

The United States Office of Education says that 83.3 per cent of 84 central city school systems studied receive less state aid per pupil than the state-wide average in their respective states.

Jan. 12—The Internal Revenue Service admits that it has a special unit to collect information on extremists of the left and right.

Jan. 13—Vice President Spiro Agnew and Attorney General John N. Mitchell announce a \$160-million program to fight street crime in Atlanta, Baltimore, Cleveland, Dallas, Denver, Newark, Portland and St. Louis.

The Pay Board allows the retroactive recovery of wage increases of up to 7 per cent that were blocked by the freeze.

Jan. 16—Secretary of Agriculture Earl Butz announces that the administration has reversed itself and has ordered the restoration of full food stamp benefits to 2.1 million needy persons. Cuts had been previously scheduled to take effect February 1.

Jan. 18—The 92d Congress reconvenes.

Jan. 19—Legislation curbing campaign spending is passed by the House and sent to the President.

The bill limits presidential and congressional candidates to media spending of 10 cents per eligible voter, with no more than six cents of that to be allowed for broadcast advertising.

Jan. 20—President Nixon delivers a State of the Union address calling for higher defense spending in fiscal 1973, a new method of financing public schools, and the enactment of legislation previously proposed such as welfare reform, revenue-sharing, government reorganization, environmental protection laws and health care.

Secretary of the Treasury John B. Connally says that the budget deficit in the current fiscal year (1972) will be close to \$40 billion.

Jan. 21—President Nixon asks Congress to enact special legislation to halt the renewed "intolerable" West Coast dock strike.

Jan. 24—The Federal Trade Commission accuses the four largest breakfast cereal manufacturers of monopolistic practices resulting in "artificially inflated" prices. False advertising is cited as a contributing factor.

President Nixon submits a new budget for the 1973 fiscal year to Congress. The deficit is projected at \$25.5 billion for 1973, which indicates a cumulative deficit of \$87 billion for the three years of the Nixon administration. The deficit figures are unprecedented except for deficits in the World War II period.

Jan. 25—President Nixon asks Congress for a \$50-billion increase in the national debt ceiling to \$480 billion.

Voting 203 to 179, the House of Representatives completes congressional action on a \$2.75 billion foreign aid authorization bill for fiscal 1972; the bill goes to the White House.

Jan. 27—President Nixon says that price and wage controls will remain indefinitely until "reasonable price stability can be maintained without controls."

Secretary of Commerce Maurice H. Stans resigns; President Nixon names Peter G. Peterson, the White House assistant for international economic affairs, to succeed him. Stans is to become the Republican party's chief fund raiser.

Jan. 28—The Federal Communications Commission announces that it is reversing itself and resuming its investigation of the American Telephone and Telegraph Company's costs and management.

Jan. 29—The Cost of Living Council exempts workers earning \$1.90 per hour or less from wage controls.

Jan. 31—A senior White House official says that President Nixon has developed a tentative plan for as much as \$16 billion in value-added taxes to equalize the disparity between wealthy and poor school districts, and at the same time relieve the local tax burden.

Labor

(See also *Government*)

Jan. 1—The Labor Department reports that employer costs of fringe benefits for employees during 1970 amounted to 26.6 per cent of basic wages and salaries in private industry.

Jan. 7—Federal District Judge Gerhard A. Gesell orders the United Mine Workers of America to pay \$11.5 million in damages to the union's pension fund.

Jan. 17—Longshoremen resume their strike on the West Coast docks.

Politics

Jan. 4—Senator Edmund S. Muskie (D., Me.) announces his candidacy for the Democratic presidential nomination.

Jan. 7—In a letter to New Hampshire's Secretary of State, President Nixon states he will be a candidate for renomination and reelection.

Jan. 10—Senator Hubert H. Humphrey (D., Minn.) formally joins the Democratic presidential nomination race.

Jan. 13—Alabama Governor George C. Wallace enters the Florida presidential preference primary as a Democrat but refuses to rule out the possibility of his heading a third-party ticket in November.

Jan. 23—The Gallup Poll reports that Senator Muskie has become the first choice of Democrats for President for the first time.

Jan. 25—Representative Shirley Chisholm (D., N.Y.) announces her candidacy for the Democratic presidential nomination.

Supreme Court

Jan. 7—Lewis F. Powell, Jr., and William H. Rehnquist are sworn in as Associate Justices of the Supreme Court.

Jan. 17—For the first time, the Supreme Court agrees to rule on the busing of school children to reduce segregation in large cities outside the South.

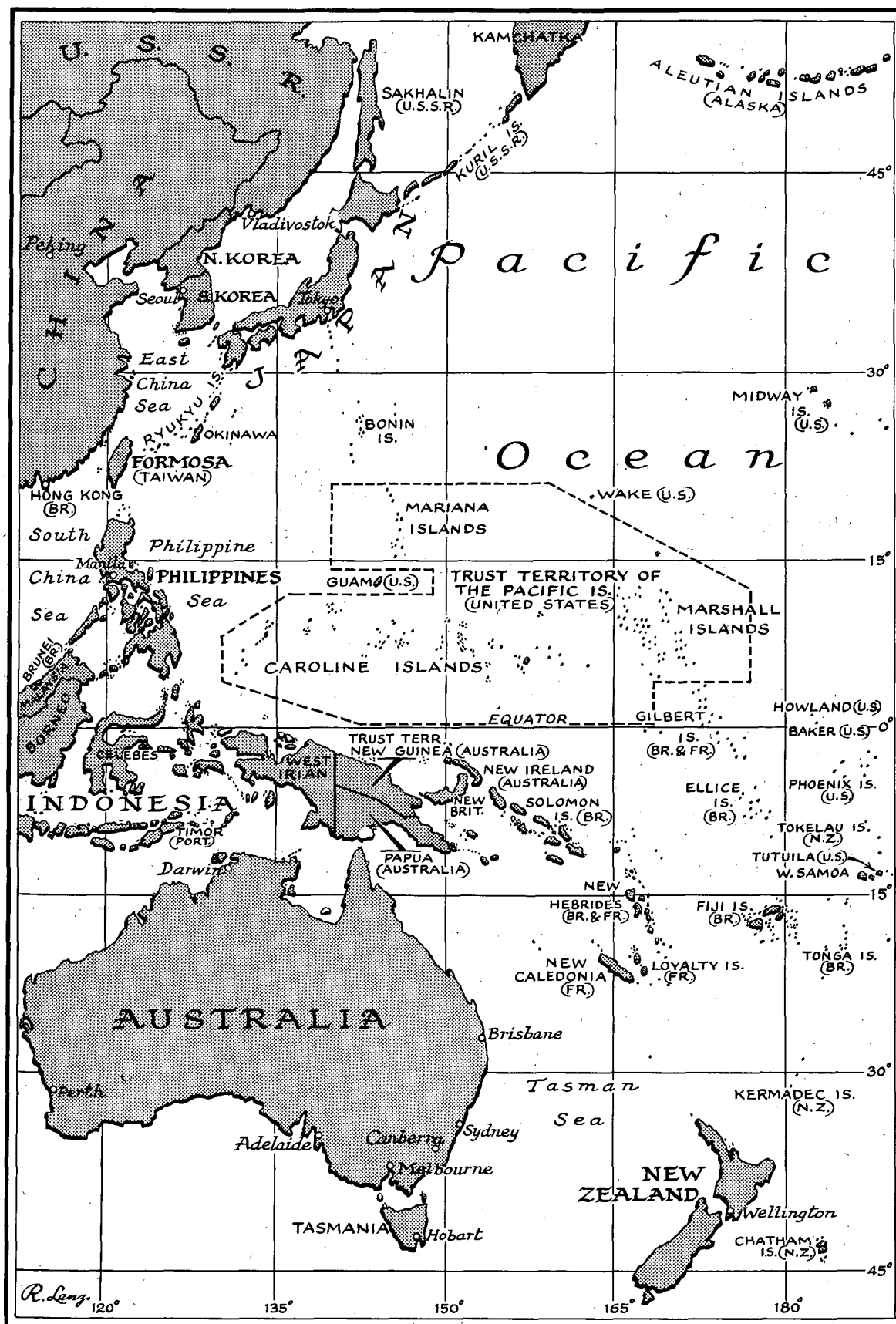
Jan. 24—By a unanimous vote, the Supreme Court disallows New York and Connecticut one-year residency requirements for recipients of state welfare aid.

YUGOSLAVIA

Jan. 11—11 well known Croatian intellectuals are arrested and charged with plotting secession.

Jan. 20—Zagreb television announces that more than 700 members of the Croatian Communist party have resigned, been expelled or relieved of their duties during the last month.

Jan. 27—At the close of a 3-day conference, President Tito says that nationalists in Croatia linked to terrorists abroad will be charged with high treason; tighter party discipline is demanded.



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